

Table with exchange rates for various currencies including US, UK, DM, and others.

Clinton Calls on China Not to Stage Atom Test Blast Would Be First in Nearly a Year

WASHINGTON — President Bill Clinton urged China on Friday to "step away" from a reported plan to resume nuclear-weapons testing...

China is eager to play host to the games and wants to avoid doing anything that might harm its chances, the officials said. But they predicted that the test would be held within several weeks.



With a policeman close by, members of the Bengali community in London held anti-racist leaflets handed out near a mosque Friday.

43,000 Jobs Will Be Cut By German Auto Giant

Daimler-Benz Plunges To First Loss but Vows To Save 8 Billion DM

By Brandon Mitchener International Herald Tribune FRANKFURT — Daimler-Benz AG, Germany's biggest industrial group, said Friday that it would slash 43,000 jobs...

Beijing Floats a Threat To Skip '96 Olympics

MONTE CARLO — China's top Olympic official refused Friday to say that Chinese athletes would actually go to the 1996 Games in Atlanta...

England, and Sydney are the other candidates. In Beijing, a bid committee spokesman, He Zhengwen, said Mr. Zhang's comments were "definitely not the position of the Beijing Olympic bid committee."

Racist's Election Victory Riles Britain

By Eugene Robinson Washington Post Service LONDON — Political leaders and others said Friday that they feared that anti-foreigner sentiment in Britain was hardening...

The announcement of the vote set off clashes between groups of skinhead British National Party supporters and outraged anti-racism activists.

our society for these sort of policies," Prime Minister John Major said. "I hope it will not be repeated."

Fundamentalists Deny Claim by PLO of a Truce

TUNIS — Palestine Liberation Organization officials asserted Friday that Muslim fundamentalists in the occupied territories had agreed to a truce...



A young Palestinian trying to sell Yasser Arafat T-shirts to a group of Orthodox Jews passing by in Jerusalem's Old City on Friday.

Clinton Sees Political Role Increasing in Somalia

By Gwen Ifill New York Times Service WASHINGTON — President Bill Clinton defended the United States' involvement in Somalia on Friday and said he was willing to increase the American political presence there...

warlords who have been essentially playing by the rules and trying to work out a peaceful life for the people whom they represented when everybody was fighting over there.

Stale After 25? Japan's Women Have the Last Laugh

By T. R. Reid Washington Post Service TOKYO — Ken met Kumiko at a beach party and fell for her. She was 23, just a year younger than he, and she worked for a small company just as he did.

The television announcer shouted, "Ken! I bet that one really snags!" The announcer? How did a television announcer end up in the middle of this tender moment on the beach?

"The basic fact for guys like me," said Toshinori Nakayama, 26, a graduate student, "is that women have the power now. The men are desperate to find a wife, but the women are in no hurry, and they don't have to be."

For wives among women three or four years younger, have a smaller number of women to choose from.

Kiosk

Market news section including 'Cuban Pilot Flies Fighter to Florida', 'General News', 'Business/Finance', and 'Money Report'.

Handwritten Arabic text: سكو من الأصل

Russians Threaten Rebels in Georgia With Power Cutoff

Compiled by Our Staff From Dispatches TBILISI, Georgia — Separatist Abkhazian rebels battled Georgian defenders for a second day Friday in the regional capital, Sukhumi, ignoring warnings from Russia to halt the offensive or face the consequences.

The Georgian president, Eduard A. Shevardnadze, met the Russian defense minister, Pavel S. Grachev, in Adler, in southern Russia near the border with Abkhazia, for talks on the fighting, the Itar-Tass news agency reported.

Russia gave the separatist forces in Abkhazia until Friday evening to cease fighting or be deprived of electrical power, the Foreign Ministry said.

Russia will take "other economic measures" if the Abkhazian forces fail to return to positions they held before breaking a Russian-brokered cease-fire, the ministry said in a statement carried by Itar-Tass. Abkhazia is totally dependent on Russia for its electrical power.

There was no immediate indication from Abkhazia whether Moscow's threat had been carried out. Georgian troops also came under renewed attack on a second front, with rebels in the Mingrelia region loyal to the former president, Zviad K. Gamsakhurdia, blocking access to the Black Sea port of Poti, the Interfax news agency reported, citing Georgian Interior Ministry officials.

The pro-Gamsakhurdia rebels sent an ultimatum to Tbilisi saying government troops defending Poti had to surrender or the port would be taken by force, said the head of the rebel forces, Vakhtang Kobakhia. Mr. Gamsakhurdia's forces have closed off access to the port, an important shipping route between Georgia and Armenia, for two days. But government troops have resisted the attack being Thursday, according to Georgia's Defense Ministry.

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ing for the reinstatement of the exiled president and against the July peace agreement reached by Tbilisi with the Abkhazian separatists.

The rebel forces have stepped up their campaign against the government after accusing it of selling out to the Abkhazians by agreeing to withdraw government troops from the region.

To deal with the Gamsakhurdia uprising, Mr. Shevardnadze persuaded the parliament this week to give him emergency powers, which are to go into effect Monday.

Yeltsin Ally Urges Fight On Inflation

Compiled by Our Staff From Dispatches MOSCOW — Yegor T. Gaidar, the economic reformist who is scheduled to rejoin the Russian government, called Friday for urgent measures to curb inflation and stabilize monetary growth.

Mr. Gaidar, 37, said at a conference of private companies in Rostov that tough action was needed to steady Russia's economy.

"Stabilization will demand tough decisions in the area of state expenditure, foreign economic activities and drastic changes in state purchasing policies," he said, according to Itar-Tass news agency. The unexpected news Thursday that Mr. Gaidar would rejoin the government Saturday as a deputy prime minister was accompanied by an announcement that Oleg Lobov, a conservative industrialist who runs the Economics Ministry, would be moved to another post.

"One of the main opponents to reform has been removed," said a Western diplomat. "Gaidar's appointment is very, very good news and it will undoubtedly bolster the reformers in the government," he added. In December, Mr. Gaidar lost his job as acting prime minister under heavy conservative pressure. In announcing the new appointment for Mr. Gaidar, President Boris N. Yeltsin said Thursday that he hoped to resolve disputes between conservatives and reformers in government.



A Belgrade resident searching a garbage container for food on Friday.

Fierce Fighting Engulfs Bosnia

Compiled by Our Staff From Dispatches SARAJEVO, Bosnia-Herzegovina — Heavy fighting raged in the republic on Friday, especially around the southern city of Mostar, even as government and Croatian military commanders ratified a cease-fire that was to take effect Saturday.

News of the truce was announced after battles erupted between Muslims and Croats in Mostar, where 55,000 Muslims are encircled by Croatian troops. Muslim-controlled radio reported heavy casualties.

The Bosnian Muslim and Croatian commanders undertook to carry out the truce already agreed by their presidents, which was to start at 1000 GMT on Saturday, a United Nations spokesman said. They also decided that if Muslim, Serbian and Croatian political leaders sign a peace agreement when they meet in Sarajevo on Tuesday, army commanders will confer the following day on how to bring it into effect.

In Skopje, Macedonia, the mediator Lord Owen said he expected the leaders of the three warring communities to sign the agreement when they meet in Sarajevo.

"I expect that the agreement will be signed on Tuesday," he said after meeting President Kiro Gligorov of Macedonia. "It will be a very difficult agreement, but it must be signed."

The Muslim and Croatian commanders also agreed to release their detainees as soon as possible and to disclose information about mines and other obstacles they have planted, a United Nations spokesman said.

The commitments were made by General Rasim Delic, commander of Muslim-led Bosnian government forces, and the Croatian commander, General Milivoj Petkovic, at a meeting with the head of the UN Protection Force in Bosnia, General Francis Brignoneau. But the pledges contrasted with fierce fighting on several fronts.

A market in Sarajevo was shelled shortly after noon, killing at least two people. In the Mostar fighting, Sarajevo radio reported that the Croatian Defense Force attacked Muslim districts with artillery and rockets, causing heavy casualties.

A Croatian spokesman reported an exchange of artillery and small-arms fire, and said Muslim guerrilla groups had infiltrated the Croat-held part of Mostar.

The infiltration is part of a plan to sabotage Croatian defenses and link up with Muslim forces seeking to force a corridor to the Adriatic, the spokesman said.

Peace Unit For Bosnia Is Studied By NATO

By Craig R. Whitney New York Times Service

BONN — Plans to send a 50,000-strong NATO peacekeeping force, including 25,000 American soldiers, to Bosnia-Herzegovina after the fighting stops there will be considered by the alliance's ambassadors in Brussels on Wednesday, diplomats and military officials said Friday.

"There's no map yet, and the force's mission hasn't been precisely described, but contingency planning is moving forward," a NATO military spokesman at the alliance's southern command in Naples said.

Whether the North Atlantic Treaty Organization or the United Nations will exercise formal command and control over the force, which would not be sent to Bosnia anyway unless the United Nations asked for it, has also not yet been decided, according to alliance officials in Brussels.

They say they also expect that some soldiers may be provided by Russia and other countries that do not belong to NATO.

The United States has been pushing for clear and direct command lines under Admiral Jeremy M. Boorda, an American who is the alliance's commander for southern Europe, whereas Britain and France want ultimate control to be exercised by the United Nations.

Admiral Boorda and the overall commander of UN forces in the former Yugoslavia, General Jean Cot of France, discussed arrangements last summer that would have made General Cot the admiral's deputy if a NATO peacekeeping force had been sent to Bosnia to try to put into effect an internationally brokered settlement then.

The Muslim leader of Bosnia, President Alija Izetbegovic, agreed with a Bosnian Serb political leader Thursday on amendments to a plan that would allow Serbs, Croats and Muslims to divide up the republic in two years. Mr. Izetbegovic also wants Serb territorial concessions that would give the Muslims more territory and access to the Adriatic Sea.

"I think either we'll reach a settlement now or not at all," one German diplomat said this week.

Assuming that the mission of a peacekeeping force would be to separate Serb, Croat and Muslim military forces from each other along agreed front lines and enforce a cease-fire, American military commanders in Germany have tentatively earmarked a major unit for duty in Bosnia if a peace agreement is finally reached. That is the 20,000-strong U.S. First Armored Division, based in Bad Kreuznach.

WORLD BRIEFS

Leftist Trend Forecast in Polish Vote

WARSAW (Reuters) — Polish commentators were predicting Friday that elections Sunday would produce the first major swing to the left since the Communists lost power in 1989, but they said that it was unclear who would lead the next coalition government and that economic reforms were likely to continue whoever won.

The Democratic Left Alliance, made up of former Communists, and the Polish Peasant Party, which includes former allies of the Communists, led the latest opinion polls, but neither was expected to win more than 20 percent of the vote.

Poland was the first country in Eastern Europe to topple its Communist ruler, installing a government led by former activists in the opposition Solidarity movement in 1989 and ending more than four decades of Communist domination. But leftist parties have made gains in opinion polls mainly because of public dissatisfaction over the radical free-market changes the centrist leaders have introduced.

Sihanouk Son to Be Cambodia Leader

PHNOM PENH (NYT) — Cambodia's two major political parties agreed Friday that Norodom Ranariddh should be the principal civilian leader of Cambodia's first postwar government, with his father, Norodom Sihanouk, restored as king.

The agreement will end an interim arrangement in which Prince Ranariddh, who leads the royalist party that won national elections in May, had shared power equally with Hun Sen, the leader of the rival political party and the former Cambodian prime minister.

Prince Ranariddh will assume the title of first president, with Mr. Hun Sen his chief deputy, or second president. Mr. Hun Sen's party came second in the elections. In Beijing, where he is receiving medical treatment, Prince Sihanouk, 70, said he would return to Cambodia on Thursday to promulgate a new constitution. He said he would then return to Beijing for an operation to remove as a "small tumor."

Hanoi Assails U.S. Embargo Renewal

HANOI (AFP) — People's Army Daily denounced what it described as President Bill Clinton's "absurd" decision to ease but not lift the U.S. trade embargo against Vietnam, suggesting on Friday that Washington was trying to bully its former enemy.

"The reason given by the United States for the prolongation of the embargo is absurd," the newspaper said, referring to Mr. Clinton's demand for "further progress" in accounting for Americans missing in action from the Vietnam War.

The Communist Party daily Nhan Dan was only slightly more diplomatic, questioning whether the United States really wanted to turn a page on the past. It asked how Vietnam could possibly do more to cooperate on accounting for the missing.

Spain Arrests 2 Lebanese Suspects

MADRID (AP) — The police said Friday that two Lebanese men who entered Spain as tourists may have been plotting to assassinate Mouzer Kassar, the Syrian arms dealer who is free on \$1.4 million bail during investigation of his possible role in the 1985 hijacking of the Italian cruise ship Achille Lauro.

The men had been observed staking out places that Mr. Kassar frequents in southern Spain and were carrying a map marked with the location of one of his residences when they were arrested Tuesday near the Madrid airport, the police said.

Policemen had trailed the suspects, Imad Eddine Mneimne and Jean Derkathadorian, since their arrival on Aug. 30 with a tour group from Beirut. Mr. Mneimne's name had surfaced in a police data bank, officers said, prompting surveillance of their movements.

Mother Teresa Stable After Surgery

CALCUTTA (Reuters) — Mother Teresa, 83, who underwent surgery to clear a blocked heart vessel, was cheerful and in a stable condition Friday, doctors said.

"Mother Teresa is quite cheerful, her condition is totally stable and everything is normal," said Dr. Tarun Prabhakar, a cardiologist at Calcutta's B. M. Birla Heart Research Center. He said that her heartbeat and blood pressure were normal.

Surgeons inserted a catheter through an artery on Thursday and used a balloon-tipped instrument to clear the blockage on the left side of her heart. The Roman Catholic nun, who was awarded the Nobel Peace Prize in 1979, had a close call although the hospital originally said she was admitted for a slight fever and a routine examination.

For the Record

A U.S.-bound Air France Boeing 747 diverted to Shannon, Ireland, on Friday after a bomb threat was received at the airline's Paris offices. After a check it went on to Newark, New Jersey.

A Norwegian court ordered three men who hijacked an airliner to Norway from Azerbaijan to be held in custody for eight weeks while authorities decide their fate.

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and was graciously hosted by United States Ambassador Pamela Harriman on May 22nd, 1993 with special guest Mr. Lee Huebner

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RELIGIOUS SERVICES

Table with columns for various cities: AMSTERDAM, ROME, DÜSSELDORF, FRANKFURT, BERLIN, EUROPEAN BAPTIST CONVENTION, BARCELONA, HAMBURG, HOLLAND, MUNICH, MONTE CARLO, PARIS and SUBURBS, SAINT JOSEPH'S CHURCH, TOKYO, THE EPISCOPAL CHURCHES OF EUROPE (Anglican), FLORENCE, FRANKFRUKT, GENEVA, MILUNICH, PARIS, DARMSTADT, ZÜRICH, EUROPEAN UNITARIAN UNIVERSALISTS.

TRAVEL UPDATE

A toll tunnel allowing traffic to cross Marseille in about three minutes is to open Saturday. The 2.5-kilometer (1.55-mile) tunnel will link up with three highways. It was financed by private capital at a cost of \$200 million. The toll will be 10 francs (\$1.70).

French farmers demonstrated at Euro Disneyland on Friday against a U.S.-EC agricultural accord. Organizers said about 100 farmers managed to get inside the amusement park, 30 kilometers (18 miles) east of Paris. They said policemen were preventing 200 more protesters from joining those inside. Euro Disney said 90 percent of the food consumed by park visitors came from France.

Taiwan's Eva Airways will inaugurate daily service between Taipei and San Francisco beginning next month, airline officials said Friday. The United States will forbid Cuban exiles to book paid-in-advance package deals to return to the island for visits. It called them discriminatory and said they were an attempt by Havana to bring in desperately needed foreign currency. President Fidel Castro proposed in July that exiles buy packages valued at upward of \$70 a day in advance.

SOMALIA: U.S. Political Role

Continued from Page 1 political initiative, that it ought to be an initiative which furthers the original UN mission of enabling the Somalis to take control of their own affairs in peace and dignity and without starvation and murder," Mr. Clinton said. "That is, we don't want to do something that rewards the very conduct we want to Somalia to put an end to."

U.S. Troops Kill 2 in Raid United States soldiers raided the Bakhara market area in Mogadishu before dawn Friday and killed a suspected supporter of the fugitive General Aidid, news agencies reported from Mogadishu.

General Aidid's Somali National Alliance militia said two civilians had been killed. A UN spokesman, Major David Stockwell, declined to say whether the U.S. Rangers' raid was another attempt to capture General Aidid.

In the attack, about 75 Rangers raided several houses thought to be an Aidid command center south of the market. "A suspected militiaman made threatening gestures with a weapon and was shot and killed," Major Stockwell said.

On Tuesday, Rangers had arrested a former Somali police chief because they mistook him for General Aidid, witnesses said.

Aliamed Rilaw, who bears a superficial resemblance to the warlord, was arrested during a raid on a northern Mogadishu villa.

Asked why he did not return to Somalia earlier after the collapse of communism there, Mr. Solzhenitsyn, 74, said the way had been cleared "from an official point of view" only two and a half years ago.

He said that on his return to "simple people," shunning the authorities and politicians. "I would not be surprised if they tried to restrict my freedom of speech," he said, calling Russia a "pseudodemocracy."

Solzhenitsyn To Return to Russia in May

PARIS — Alexander I. Solzhenitsyn, expelled by the Kremlin in 1974, said Friday that he would return to Russia in May.

The 1970 Nobel laureate in literature, who lives on a Vermont farm and is on a speaking tour of Europe, told France-2 television he would end his exile when the house that he is having built in Russia was finished.

On Tuesday, Rangers had arrested a former Somali police chief because they mistook him for General Aidid, witnesses said.

British Aide to Visit Tehran Agency France-Press LONDON — Michael Burton, the Foreign Office assistant undersecretary for the Middle East, left Friday for Iran on a four-day visit, the first high-level contact between Tehran and London in two years.

Handwritten text: 1993

STATESIDE / 'RULED BY THE FORM'

Health Plan Is Good on Paper President Vows an End to Insurers' Red Tape

The Associated Press
WASHINGTON — President Bill Clinton toured a children's hospital Friday as he stepped up the campaign for his health care plan, promising to end a paperwork jungle with a single form for all medical claims.

"We're stuck in a system where we're ruled by the form," Mr. Clinton said at Children's National Medical Center. He visited the hospital records room, where he was told that 6 1/2 feet of forms and other papers were added each week.

"We think we can do away with all the confusing claim forms," Mr. Clinton said. He unveils his plan Wednesday in an nationally televised address to Congress.

The White House is hoping to prime billions of dollars from the nation's health bills by simplifying paperwork and cutting through red tape for doctors and patients.

Its draft reform plan requires all health plans to adopt by 1995 a single, standard form for reimbursement rather than the dozens of different insurance forms that hospitals and doctors' offices now must deal with.

The administration hopes that

standardizing the forms will make it easier for states to monitor the quality of care patients receive.

Dr. Lillian Beard, a pediatrician, told Mr. Clinton she was swamped by paperwork, spending 2 to 3 hours every evening completing forms.

"This is not what we trained all these years to do. Reducing paperwork will enable me to practice medicine again," she said.

Vice President Al Gore said that getting a child treated at Children's Hospital could require parents to fill out as many as 26 separate forms. "That's crazy," he said.

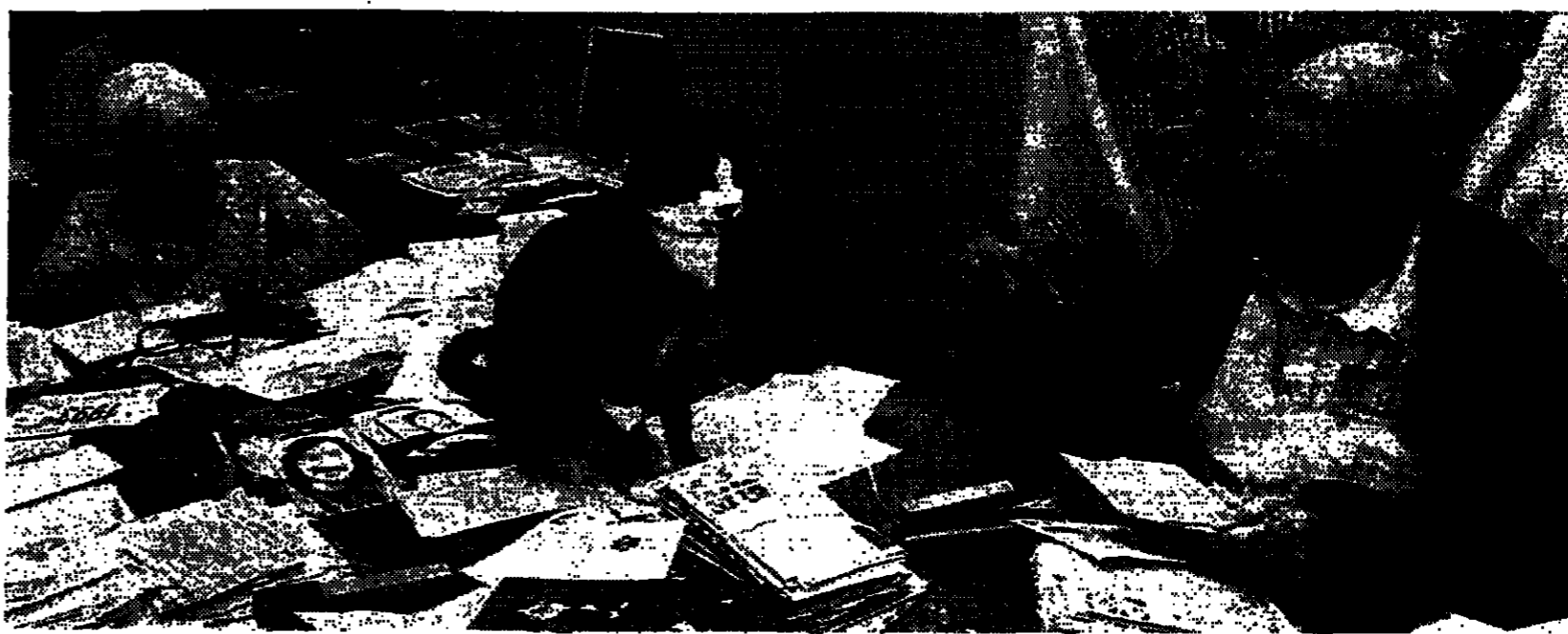
"We are spending \$100 billion a year just on health care administrative paperwork," Mr. Gore said.

Mr. Clinton said his plan called for "a single form that would go to every hospital in the country." He claimed the nation now has 1,500 different insurers, each with different forms seeking different information.

He said his program would "do away with all that."

In an appearance Thursday, Mr. Clinton acknowledged that even though the plan would streamline the system and make health care insurance universal, some people would pay more than they do now and some jobs would be lost.

"There will be some difficult choices in this decision," he said as he toured a hardware store several miles from the capital. He suggested some people could lose jobs in the overhaul, with the major question being "Are we going to lose more jobs doing what we're doing or are we going to lose more jobs with the alternative?"



"THERE'S A LETTER FOR SOCKS" — A White House resident helping volunteers at the U.S. Soldiers' and Airmen's Home in Washington sort presidential mail.

'Reducing paperwork will enable me to practice medicine again.'

Lillian Beard, a pediatrician

For Hillary Clinton, A Brighter Spotlight

By Adam Clymer
 New York Times Service

WASHINGTON — After seven months of leading the administration's internal effort to develop a national health plan, Hillary Rodham Clinton late this month will take on the most prominent substantive role ever played by a first lady when she appears as the leadoff witness in congressional hearings on the plan.

With the administration's hopes for shaping history on the line, Mrs. Clinton will testify on Sept. 28 before a joint hearing by the Senate's Finance Committee and Labor and Human Resources Committee.

Because the hearing will be held only six days after President Bill Clinton outlines the plan in a nationwide speech, senators will probably not have a formal piece of legislation before them. But they will be considering the general outline of the plan, whose shape was revealed in a draft given to members of Congress earlier this month.

Mrs. Clinton, who has been talking for months to Congress about health care, has won uniformly high marks from lawmakers in both parties. They praise her brains (Representative Jim Leach, Republican of Iowa called her "one of the dominant intellects" of the administration), credit her with drawing attention to health care, and call her "focused," "determined" and a good listener.

But her talks with lawmakers have never before been on live national television. That coverage will remind the public of her uniquely powerful role in the administration, an image at odds with the cookie-baking, conspicuously silent persona created last fall by the Clinton campaign.

Still, Congress has adjusted to discussing the president's most important program with his wife, even if some, especially Republicans, wonder if she will be too rigid, too "proprietary toward her proposals," in the words of Senator Nancy Landon Kassebaum, Republican of Kansas.

Senator Bob Dole of Kansas, the Republican leader, said that he found her knowledge of the complexities of health care commanding. "You don't pick it up on the way home," he acknowledged. But he added, "We'll see when we disagree — and we'll disagree."

Her Democratic allies have little doubt of her ability to compromise. They see her apparent rigidity as a good lawyer's opening position; some have even suggested that her husband could learn from it not to compromise too quickly.

Clinton Hears Complaints

Mr. Clinton formally opened his campaign to revise the nation's health care system on Thursday by inviting ordinary Americans to the White House to voice their complaints. The New York Times reported.

Participants flown in from around the country read letters they had sent to the White House about their problems in getting insurance coverage for everything from multiple sclerosis to nursing home care to AIDS. Their fares were paid by Families USA, a consumer group that supports the health plan.

The readers detailed their fears over losing insurance coverage when they changed jobs or lost employment or made unpalatable choices in order to care for aging relatives.

For example, Karl Gregor, 55, a self-employed consultant from San Antonio, Texas, said that he and his wife, who is also self-employed, fear they will be unable to afford insurance when they retire.

"Maybe language like hostage and blackmail doesn't seem fair," Mr. Gregor said. "But the economic as well as psychological consequences are just as real."

Conceding that some taxpayers would see their premiums rise if coverage is to be extended to address these common concerns, Mr. Clinton said that such steps would nevertheless be necessary to bring what he described as a "wildly inefficient" health care system under control.

A Warning Trend for 2 Black Leaders

WASHINGTON — The Reverend Jesse L. Jackson and Louis Farrakhan, who drifted apart during Mr. Jackson's presidential campaign in 1984, have joined to call for a united effort to improve the economic well-being of blacks.

Mr. Jackson and Mr. Farrakhan appeared at the annual legislative meeting of the Congressional Black Caucus.

The coolness between them began after Mr. Jackson lost some support when he failed to disassociate himself from Mr. Farrakhan's criticism of Jews during the 1984 campaign after Mr. Farrakhan's Nation of Islam endorsed Mr. Jackson.

Mr. Farrakhan said Thursday: "Jesse Jackson, in my mind, is one of the most brilliant men we have on the scene today. Our differences are not such that we can't reconcile them if there is no power between us."

Mr. Jackson said that he and Mr. Farrakhan had been reconciled for some time. (NYT)

Senator's Accusers Push for Hearings

WASHINGTON — The Senate ethics committee has interviewed about 150 people regarding allegations of sexual misconduct against Senator Bob Packwood, Re-

POLITICAL NOTES

publican of Oregon, and expects to complete the initial phase of its investigation by the end of October.

After completion of a report on findings from the staff-level inquiry, the committee will decide whether to move to a final trial-like phase of the investigation, which could include public hearings.

The committee issued the status report as pressure built among Mr. Packwood's accusers for hearings on the allegations that the senator made unwanted sexual advances toward at least two dozen women over the past 20 years and tried to intimidate them so they would not tell their stories.

Lawyers for 12 of the women have written or intend to write the committee urging that hearings be held, according to Betty Roberts, a former Oregon Supreme Court justice who is working with lawyers for the women.

She said they wanted hearings to be conducted in the open "except for instances where the rape-shield rule applies."

In federal court proceedings, the rape-shield rule bars introduction of evidence about a victim's sexual history unless it is related to the offense at issue, and the ethics committee has agreed to follow this rule in the Packwood case.

But, especially in dealing with allegations that Mr. Packwood tried to discredit the women in an attempt to

keep them from talking to the news media, that information may be critical to the case against him. When such information is to be discussed, the women want it done in private. Ms. Roberts said. (WFF)

N.Y. Hopeful Would Cut Homeless Aid

NEW YORK — Rudolph Giuliani, the Republican-Liberal candidate for mayor of New York, said that if he was elected, his administration would drastically curtail services for some of the city's homeless, setting a 90-day limit on many shelter stays.

His proposals would cut the number of people in city shelters each night — typically 24,000 — by almost half, his advisers said.

His administration would then spend more money on a subgroup of people whom he characterized as "chronically homeless." These people would receive intensive case-work, mental-health care and other services and be able to stay in shelters for up to a year. (NYT)

Quote/Unquote
 Thomas R. Donahue, secretary-treasurer of the AFL-CIO, on organized labor's commitment to fight passage of the North American Free Trade Agreement: "We'll spend whatever we have to spend." (AP)

3 Florida Teens Emerge as Likely Suspects in Briton's Death

Compiled by Our Staff From Dispatches
MONTICELLO, Florida — A 13-year-old boy with a long arrest record and two other teenagers have emerged as the main suspects in the killing of a British tourist, Florida's deputy attorney general said Friday.

Two of the teens — the 13-year-old from Tallahassee, who has a record of 36 arrests, and a 15-year-old Monticello resident — were already in custody in an unrelated

car theft. A 17-year-old was being sought, said Deputy Attorney General Pete Antonacci.

The youths have not been charged in the killing, and Mr. Antonacci did not say why investigators believed the teenagers were the assassins.

"They're convinced that they have the guys, and that they don't have a case so far," Mr. Antonacci told The Miami Herald in an article published Friday.

At a briefing Friday morning, John Joyce, spokesman for the Florida Department of Law Enforcement, declined to endorse Mr. Antonacci's statements.

"Mr. Antonacci does not have any direct bearing on this case," Mr. Joyce said. "There are inaccuracies involved." He did not elaborate.

Gary Colley, 34, was fatally shot Tuesday during an attempted robbery at a highway rest stop where

he and his girlfriend had pulled over for a nap. His companion, Margaret Ann Jagger, 35, was wounded.

Mr. Colley was the ninth foreign visitor slain in Florida since October and the second in less than a week. The killings have jolted the state's \$31 billion-a-year tourism industry.

Ms. Jagger arrived back in Britain on Friday and told friends she had forgiven the killers.

Ms. Jagger declined to speak to reporters, but Mr. Colley's brother Stephen, 33, said she was calm and bore no malice.

"She even said she did not blame the killers for what they had done," Mr. Colley said. "She said they probably came from a poor background and it was just circumstances that led to Gary's death. She said it could have happened anywhere." (AP, Reuters)

Dinosaurs' Demise: 1 in a Billion Event

By William J. Broad
 New York Times Service
NEW YORK — A speeding object from outer space that struck the Earth 65 million years ago in a cataclysm that may have wiped out the dinosaurs was far larger than previously thought and produced what was perhaps the largest explosion to rock the planet since life began, a new study said.

The crater left by the object's impact is beneath the Gulf of Mexico and the northern tip of the Yucatan Peninsula. Geological processes such as erosion and sedimentation have long since buried all visible signs of the huge scar, which lies a mile or so beneath the Earth's surface. That makes it hard to pin down its dimensions and cause, whether an asteroid or comet.

The crater's existence has been known for several years, along with the date of its formation at the end of the Cretaceous period. That made it the leading candidate for the impact that some scientists argue ended the reign of the dinosaurs.

But the explosion that would have caused such a crater seemed only barely large enough to wreak global havoc, and scientists have been searching for companion craters that might have accounted for the catastrophe.

They need, said no more.

The study, published in Friday's issue of the journal Science, increases the estimated diameter of the crater from 110 miles to 185 miles (or from about 180 kilometers to 300 kilometers) based on a new map of variations in the area's gravitational field. The speeding object itself is now calculated to have been 5 to 10 miles across.

The colossal energy released in its collision with the Earth is now estimated to be equal to the detonation of up to 300 million hydrogen bombs, each some 70 times

more powerful than the atomic bomb that destroyed Hiroshima.

"It's hard to conceive of all that energy being released, vaporizing thousands of cubic miles of Earth," the study's lead author, Dr. Virgil L. Sharpton of the Lunar and Planetary Institute in Houston, said by phone. "Clearly, this type of event is extremely rare, something on the order of once every billion years or so."

The study added support to the idea that a doomsday rock from outer space brought an end to the dinosaurs and other creatures at the end of the Cretaceous period by creating a global pall of dust that blotted out the sun, as well as such environmental disasters as fire storms and acid rain.

That hypothesis, first proposed in 1980, has been questioned by skeptics even while gaining credibility in recent years. The latest study is unlikely to end the debate.

Still, by going from 110 miles to 185 miles, the Yucatan crater now becomes far and away the largest known celestial blemish to mar the Earth's surface.

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Brittle Steel in Hull Doomed the Titanic

New York Times Service
NEW YORK — A new analysis by maritime experts has concluded that the disastrous loss of the Titanic was caused not so much by an iceberg as by structural weaknesses in the ship's steel plates that caused them to fail catastrophically.

A better grade of steel, the analysis concludes, would have reduced the extensive fracturing and allowed the ship to remain afloat or to flood more slowly, perhaps saving many lives.

About 1,500 people died when the Titanic sank in the North Atlantic in 1912 on its maiden voyage.

The liner, the latest in luxury and engineering, supposedly unsinkable, was built by Harland & Wolff of Belfast. It was sailing from Southampton, England, to New York when it hit an iceberg while traveling at 22 knots. Two hours and 40 minutes later, at 2:20 A.M. on April 15, it sank. There were only 705 survivors.

The new analysis is based on physical and photographic clues gathered by five expeditions to the hull in water more than two miles deep. It also draws on a study of the fates of the Titanic's sister ships, the Olympic and the Britannic.

The culprit was found to be a process known as brittle fracture, in which low-grade steel breaks violently when chilled rather than bending. The Titanic's hull was cooled to about 33 degrees Fahrenheit (about minus half a degree centigrade) by the icy Atlantic.

"The problem was the plates being weak rather than the iceberg

Away From Politics

- After receiving 6 organs in a 15-hour operation, Laura Davies, 5, of Britain was able to squeeze her mother's hand at Children's Hospital of Pittsburgh, and a hospital spokesman called it a good sign despite the child's critical condition. More than a year after undergoing a liver and small-intestine transplant that proved unsuccessful, the child had her stomach, large intestine, small intestine, liver, pancreas and kidneys replaced.
- The California Supreme Court has upheld the \$3.6 million judgment awarded a scientist, Gabriel L. Garay, who said Syntex Corp. had forced him to quit after he tried to warn of the dangers of an experimental ulcer drug.
- The FBI is investigating whether any of its agents

- helped an Alabama Ku Klux Klansman escape murder charges in a racial killing 36 years ago, officials say. The inquiry resulted from a klansman's confession to his wife shortly before he died in December.
- Because of flood deposits of sand and silt in the Mississippi River's main channel this summer, at least 15 barges are backed up in northeastern Iowa awaiting the efforts of a dredging machine.
- The astronauts of the shuttle Discovery, after testing tools for seven hours outside the craft, returned to studies on cosmic radiation, crystal growth and gastrointestinal functions. James Newman and Carl Weiz tested a power ratchet and five other tools that NASA is planning to send on the Hubble Space Telescope repair mission.

AP, Reuters, NYT

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Hosokawa Proposes Bill for Broad-Based Electoral Reform

By David E. Sanger New York Times Service TOKYO—The fragile coalition government of Prime Minister Morihiro Hosokawa, riding for a battle that may determine its ability to retain power, proposed a far-reaching political reform plan Friday...

For years there has been talk of doing away with the system and creating single-seat constituencies. But smaller parties have objected, fearing that Japan's conservative voters would cast their only ballot for the Liberal Democrats...

But Mr. Hosokawa went considerably beyond the electoral issue, proposing that any contributions from a company or a labor union to an individual be banned...

JAPAN: Women Have Last Laugh

Continued from Page 1 has made it easier for women to build business careers. A generation ago, single Japanese women were haunted by the metaphor of the "Christmas cake"...

TEST: Preparations by Chinese

Continued from Page 1 Chinese conduct many new tests and are joined by other nations. To help decide what to do, officials said, the National Security Council has requested that the Defense Department develop a variety of options for a U.S. response to the expected Chinese test...

6 Miners Killed in Poland WARSAW—Six coal miners have been killed by a cave-in at the Microwice mine in Bytom, in southwestern Poland, the PAF news agency said Friday.



THE RED CARPET TREATMENT—A worker readying the entrance of No. 10 Downing Street on Friday for Paul Keating, who said Britons wouldn't mind if Australia were queen-less.

Australian Agitates for Republic

Agency France-Press LONDON—Prime Minister Paul Keating of Australia contended Friday that most Britons would support the idea of ending Queen Elizabeth II's reign in his country and making it a republic...

UN Warns Haiti on Violence

Agency France-Press UNITED NATIONS, New York—The Security Council threatened Friday to reimpose sanctions on Haiti if security forces there did not halt political violence. The council's statement said it was imperative for the Haitian government to take steps to disarm security forces and armed civilians...

■ Ceremony Is Disrupted The New York Times reported from Port-au-Prince: In one of the clearest challenges yet to the authority of Prime Minister Robert Malval, about 50 men disrupted a ceremony attended by cabinet ministers Friday and threatened government officials...

Dining Out advertisement listing various international restaurants such as YUGARAJ, THOUMIEUX, LE WESTERN, CHEZ FRED, DA MEO PATACCA, and KERVANSARAY with their locations and contact information.

China and Taiwan Due at Talks

By Jim Mann Los Angeles Times Service WASHINGTON—The United States has worked out agreements with China and Taiwan that will clear the way for a conference this fall between President Bill Clinton and leaders of virtually all the other nations of the Pacific Rim...

The purpose of the gathering, an American official said, will be "purely economic." It is being designed to "look at what will be the challenges in front of us for the 21st century—the priorities each of us have, domestically and for the region."

PLO: Muslim Fundamentalists Deny Claim of a Truce

Continued from Page 1 violence was not a new policy for Hamas. Earlier reports said that El Fatah, the principal component of the PLO, and Hamas had adopted a six-point "declaration of honor" forbidding use of physical or verbal violence and guaranteeing mutual freedom of opinion and expression.

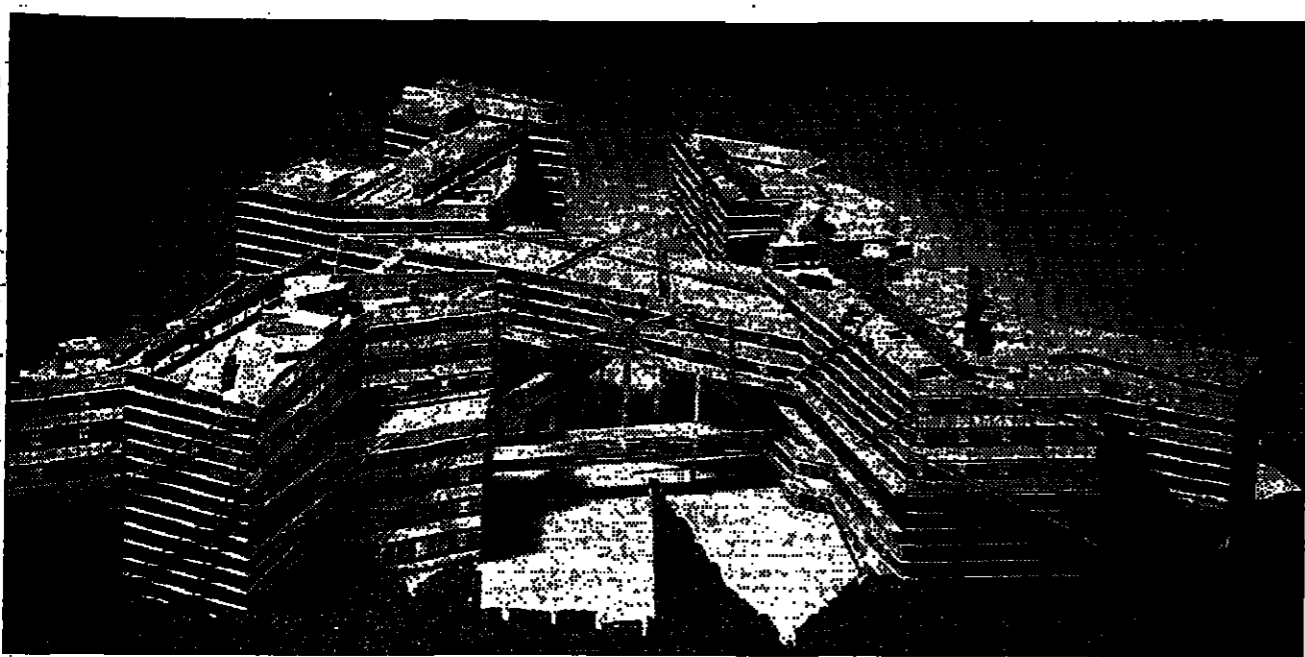
Hamas has denounced the PLO-Israel accord offering Palestinians limited self-rule in the Gaza Strip and the West Bank town of Jericho as a sellout of Palestinian lands and rights.

BRITAIN: Racist Wins in Vote

Continued from Page 1 has paralleled the rising profile of Mr. Beakson's party, which is still a negligible force nationally but has become a factor in some communities. Other members of the Tower Hamlets Borough Council, on which Mr. Beakson will sit, said they would refuse to have anything to do with him...

SPRINT advertisement featuring a large graphic of a telephone handset and a list of international dialing codes for various countries, promoting Sprint Express international service.

ART



A model of Libeskind's design for an office building for Wiesbaden.

A First for Acclaimed Architect

By Ann Brocklehurst
ERLIN — Daniel Libeskind is one of the top names in international architecture today. He was a finalist in the Alexanderplatz urban design contest in Berlin...

When he won the design competition for it in 1989, Libeskind, a Polish-born Jew most of whose family was killed during the Holocaust, moved to Berlin with his wife, Nina, who is his business partner, and children to ensure that the museum would indeed be built.

as well as space for a library, archives, museum and ecumenical chapel. Libeskind aimed to create a place for those trying to rebuild Germany at a site whose history is paradigmatic for the catastrophe of Germany and its responsibility in the future.

The jury, however, decided that his plan would "mean a new trauma for Oranienburg" and gave first prize to the Viennese architect Hermann Czech, who proposed turning the SS barracks into an 8,000-unit housing estate.

With all these accolades can it really be true, then, that the Jewish Museum, on which construction began in November, is the first of Libeskind's designs that is actually being built? In fact, it is.

In an interview in his Berlin office, the 47-year-old architect explained: "I've designed many buildings but it's really my first building. I've never been one of those architects who worked his way up from additions, renovations and buildings for the bourgeoisie."

"I never really made the separation between architecture's spiritual existence and as it is realized. Of course, I was wrong. I really think building is really a matter of luck or just cleverness. It's not the only thing. But I want to stress it's very important. It's another stage. It's wholly public. It's not only for architects who can read drawings."

For years many of those who can read drawings have been praising Libeskind's work as visionary. Detractors, on the other hand, have called it unbuildable, on technical and financial grounds. And although the history of architecture provides many examples of prize-winning projects that never got built, it is highly unusual for an architect of Libeskind's stature not to have had a single design realized.

But even if it is completed on schedule in 1995, it may not be the first Libeskind building to be realized. The architect recently won a contest to design a 50,000-square-meter (538,000-square-foot) office building in Wiesbaden.

"The building represents a totally different idea of an office. It's not a box with corridors," he said. "It's more like a city with many different spaces. It combines leisure aspects of work with work. It doesn't make strong distinctions between dining rooms, cafeteria, meeting rooms and so on." He added, "To my great fortune, the developer was on the jury. Otherwise people would have said, 'It's a great project but it can't be built.'"

Libeskind expects the Wiesbaden office to be finished before the museum.

Libeskind has also been occupied with two other much talked-about German projects. Although the chairman of the jury for the redesign of Alexanderplatz, the prewar center of Berlin, derided Libeskind's proposal as chaotic, it was one of five to enter the final phase of the competition and was awarded second prize.

The second project is of an entirely different nature. In February, Libeskind was awarded a special prize for his proposal for the concentration camp of Sachsenhausen, near Oranienburg, north of Berlin. He proposed demolishing the old SS barracks but leaving their ruins exposed in a newly created lake. The design also included a "hope incision," buildings providing retraining facilities for the unemployed and offices for physical- and mental-health clinics

Partly to save money, he also transformed the design of the Jewish Museum, eliminating its original sloping walls. The building, officially called Extension to the Berlin Museum with Jewish Museum Department, is zigzag-shaped with what the architect calls a "void" or "a straight line which is empty" cutting through it.

Libeskind, whose family emigrated to Israel and who then studied architecture in New York and England, is now a U.S. citizen. He believes, however, that it was part of his destiny to work in Berlin.

Asked about the current racist violence in the country, Libeskind said: "In my case, I feel these events underscore the necessity to be here, particularly when construction on the museum is being carried out. ... I don't think there's anything that alters public attitudes more than a big public building which is part of a city. Architecture of the city has a tremendous impact on people's thinking and attitudes."

Ann Brocklehurst is a journalist based in Berlin.

Venice's Island of Revived Crafts

By Roderick Conway Morris
International Herald Tribune

VENICE — When Caffè Florian, the historic 18th-century coffee house in Piazza San Marco, could find no local craftsmen willing to undertake the daunting task of saving its intricate parquet floor, it turned to the students on the island of San Servolo.

Led by their instructor, a team of conservation commandos came in at night — so as not to disrupt the café's business — removed the floor, and carried it off to the island (leaving a temporary one in its place). Several weeks later the floor, painstakingly restored, was returned again by night.

San Servolo lies a short distance southwest of Venice proper. From the seventh century a Benedictine monastery, it was later a convent. In 1725 it became a hospital for mad aristocrats, and then a general lunatic asylum, which it remained until 1978. Since 1980 it has been the home of The European Center for Training Craftsmen in the Conservation of the Architectural Heritage — a unique institution that attracts students from countries (50 so far) all over the world.

"It came about," said Wolf-Dietrich Elbert, the German architect who is the center's director, "in 1975, European Architectural Heritage Year, when some of the people involved started saying: new laws, declarations, good intentions are fine, but can't we do something practical besides?"

At that time many ancient craft skills — essential for the proper restoration of old buildings and their interiors — looked in danger of extinction. But San Servolo has succeeded in turning the tide by offering three-month and two-week intensive courses on techniques ranging from fresco, stucco and mosaic, to masonry, architectural woodcarving and metal



Student working on a fresco exercise in center's garden.

chasing. Students are supported by generous scholarships, and live and work on the island, often bringing their families (since the average age of students is around 30).

He said the center is unable to pay high fees but has no difficulty attracting the finest craftsmen to teach "above all because they are so keen to pass on their skills."

drawing. The technique is now so rare that it costs more than real marble but is very durable.

Mastering such a skill can be not just deeply satisfying but also lucrative. One San Servolo graduate now finds himself in constant demand in his native Australia, restoring period cinemas, and modern architects, too, have been rediscovering the potential of this technique.

Elbert showed me the other workshops, including a stone-carving studio which has, among other projects, replaced some of the missing pine-cone ornaments on the parapet of the bridge by the doge's palace, and a smithy's forge, where students not only learn specialties such as hammer welding but also to make their own tools.

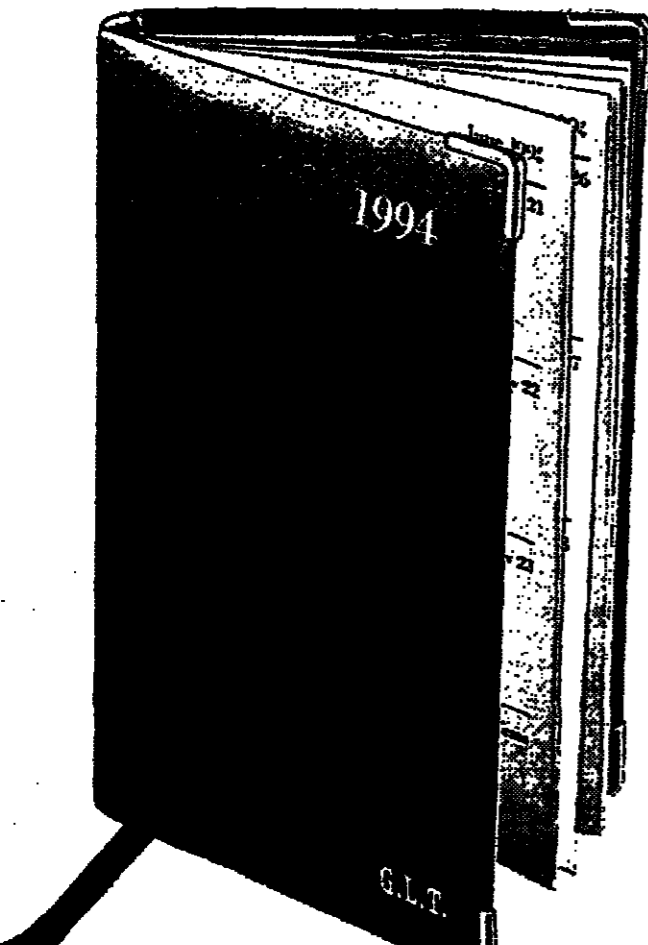
"We like to emphasize," said Elbert, "that, though we may be learning from the past, we are forward looking." And, in fact, it quickly becomes evident that the center is constantly engaged in testing the properties of building and decorative materials.

Having established its international reputation, the center plans to expand its activities, widen the range of people taking courses and involve private industry. Yet unsympathetic and unhelpful treatment at the hands of the local government authority that still owns San Servolo is inclining the center to seek less problematic premises.

The center would clearly prefer to stay in Venice, which provides an unparalleled artistic environment for students. But it has already received several invitations to move to other European cities. Their departure would be entirely Venice's loss — and cast severe doubts on the credibility of local and national officials who are so vocal in claiming to have the city's future at heart.

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BOOKS

A JOURNAL OF THE 80th YEAR
By May Sarton. 332 pages. \$21.95. W. W. Norton.

LIFE WORK
By Donald Hall. 123 pages. \$15. Beacon Press.

Reviewed by Herbert Mitgang

RECOVERING from major illness, May Sarton and Donald Hall, two of America's admired poets, send a common message in their new books: work is necessary medicine at whatever age. Keep the mind going even when the body parts are breaking down. Working on your next book (or whatever you do for a living) is a way of thumbing your nose at physical adversity, of saying never say die.

On the front porch of his home in Flat Rock, North Carolina, Carl Sandburg, one of this century's most revered poets, once told me: "Do you know what I am? I'm an octogenarian!" Laughing at the thought of old age, he made the word sound

like some odd religious sect. Almost to the end of his life, Sandburg had a new poem working on him, and he worked right back at it.

"Encore," the title of Sarton's book, is a life-affirming statement. The author, now 81, kept a journal of her eventual 80th year. She was recovering from a stroke and was often in pain from other ailments, but she kept writing. Her journal is discreet about herself and her friends, literary and filled with everyday trivia. At the same time, she is concerned about what's going on in the world.

Sarton often looks beyond her beloved garden in York, Maine, to the world of literature. Certain books remind her of some of this century's literary preoccupations, "from the Holocaust to the Spanish Civil War, from Hemingway to the Bloomsbury circle." Comparing her own work as a journal-keeper to that of the marketplace, she writes: "I suddenly realized what it is about my journals that may be valuable. I never tell people what to do. I cannot imagine making a step-by-step analysis of how to live in solitude. I describe a way of life.

Sometimes it affects someone and has actually changed the way of life of quite a few people." Halfway through the writing of "Life Work," Donald Hall, now in his 65th year, was told he had cancer. Two-thirds of his liver was removed. He had written a biography of Henry Moore in the mid-1960s, and now was a perfect time to remember what the great sculptor had once told him: "The secret of life is to have a task, something you devote your entire life to, something you bring everything to, every minute of the day for your whole life. And the most important thing is — it must be something you cannot possibly do!"

Hall's business is writing poetry. He happily says he has never worked a day in his life; instead, he stays home and writes poems, essays, stories, children's books, biography. In this brief but telling memoir, he describes the balancing act of earning a living, living amicably with one's family and friends, aiming for the impossible as a writer and staying alive.

His fruitful career has included teaching at the University of Michigan from 1957 to 1975. Living on his

family farm in New Hampshire since then has brought him closer to his heritage. His illness makes him call up the past, the characters of his parents and grandparents, the discovery of what it means to be a member of the U. S. middle class.

Writing with death hovering in the wings, Hall is remarkably sanguine. He writes that he is more concerned about his wife, the poet Jane Kenyon, than about himself. Then he wonders if he's being too egotistical for thinking that he is that important to her.

At the end of "Life Work," Hall measures the days and hours, the distractions, the kind of writing he can handle in the future. "If little poems announce themselves I will open the door; they knock infrequently these days," he writes. "But I will undertake no more long projects. I will do short stories, children's books, new short poems, maybe another essay of this length, certainly essays of a thousand words for periodicals — but no more long projects. Today if I begin a thought about 1995 I do not finish the thought."

New York Times Service

BOOKS ARE... By John M. Samson

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121 Jack — of westerns
122 Poet Dove
123 Mousy
124 Cramped quarters
125 Potent palm potion
126 "What — For Love" — A Chorus Line
127 Books pers.

Solution to Puzzle of Sept. 11-12
ACROSS
1 SQUARE ONE
6 PLAYED OUT
11 RECITAL NUMBERS
16 SHABBY
21 BRAIN TISSUES
22 TARKINGTON'S ADAMS
23 SUPPRESS A SYLLABLE
24 KNEEL BEFORE
25 FUMING
26 "BONJOUR TRISTESSE" NOVELIST
27 "A — RUNS THROUGH IT" MACLEAN
28 GERMAN RENAISSANCE ARTIST
29 THOMAS CARLYLE
33 MUSTANG
34 ORCHESTRATED SILENCE
35 UNIFIED
36 GROW TARDY
37 SLENDER NAIL
38 BASSAGE CAP
41 SOME EMBERS
43 HOT, IN A SENSE
46 BEST IT!
48 TACHOMETER LETTERS
49 INJURAL
52 FRANCE: BACON "SHIPS WHICH PASS —"
59 SUBLEASES
60 COME TO LIGHT
61 CATCH
62 BRET HARVE'S CIRCLELARY
63 JAPAN'S LARGEST LAKE
64 PLAYWRIGHT THOMPSON
66 NOVELIST MCMURTRY
67 MENACING WORDS
68 ANNIE OAKLEY
70 JASMINE KHAN'S GRANDFATHER
71 NEPALESE COIN
72 MATE FOR SHERE KHAN
73 GEORGE W. CURTIS
78 PETER BENCHLEY NOVEL
81 REplete
82 HAGGARD NOVEL
83 "FATHERS AND CHILDREN" — TURGENYEV
87 DERELICT
88 RUGBY KIDS
89 DAUGHTERY
92 DRAM
93 "... A POST SHOULD HAVE — LOVE" D. C. PEATTIE
94 FINNISH YELLOW
96 OLYMPIC STODDAR
98 LAST GREEK LETTER
99 SUSAN SONTAG: "FUNNY LITTLE"
102 CHESTER WHITE'S HOME
103 TWADDLE
104 FORENSIC
105 PROPERTY
106 COOONCASE
108 TABLOID-STYLE, IN A WAY
110 — PANTS (YOUTH SYMBOL)
111 ACHEARAR AND ALCOR
112 EL DORADO'S LURE
114 METER MONEY
116 FUZZY ZOELLER'S ORG.
118 JOSEPH HALL
127 END OF A DICKENS TITLE
128 YOU, TO E.T.
129 RUNDOWN
130 DOSTOYEVSKY'S "THE —"
131 INCLINED
132 FATHER: COMB. FORM
133 RICHARD E. BYRD BOOK
134 — BEACH, CALIF.
135 START OF A RAND TITLE
136 A COMMANDER OF DAVID'S ARMY
137 ORWELL'S ORIGINAL NAME
138 "DO, —, A FEMALE..."
DOWN
1 LIKE AN ETON COLLAR
2 — HAUTE —
3 NOVELIST LEZAGE
4 GRADE
5 HUCK FINN, FOR ONE
6 MOUTHED OFF
7 CITY MAPS
8 ASHCAN SCHOOL NUMBER
9 AMATEUR SPORTS ORG.
10 PAVILION
11 UNAFFILIATED
12 GATHESMAN'S LOCALE
13 ANIMATE
14 BRESLAU RIVER
15 COLONUS
16 SPOKANE
17 THOSE OF AGE
18 CHICAGO'S VELVEE FOG
19 WOODEN TABLEWARE
20 EODDING FOR SAW OR LAW
21 STURN UND —
22 COTTONWOOD
23 SMUDGE
24 CITY ON THE RED RIVER
25 RECYCLE
26 "SCENT OF A WOMAN" DIRECTOR
27 SHEARER OF FILMICON
28 COTTONWOOD
29 SMUDGE
30 CITY ON THE RED RIVER
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32 SHEARER OF FILMICON
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48 COTTONWOOD
49 SMUDGE
50 CITY ON THE RED RIVER
51 SCENT OF A WOMAN DIRECTOR
52 SHEARER OF FILMICON
53 COTTONWOOD
54 MOKED
55 ALL IN
56 THROW ABOUT
57 CITY ON THE RED RIVER
58 UNITS OF HEAT
59 SOME HANDICAPS
60 SAROD AND THEORBO
61 ZOOLOGICAL SUFFIX
62 CRUEL ONE
63 SHAKER'S PLAYTHING
64 OUTERWEAR THAT ONCE WAS UNDERWEAR
65 PELOTA BASKET
66 PULL OFF A COUP D'ÉTAT
67 HAWAIIAN VERANDA
68 "... HIS CHAIR WITH ME" — SHAK.
78 BALTUSROL HAZARDS
79 BONDAMAN OF LACEDAEMON
80 ATLANTA UNIVERSITY
81 EUROPE'S SECOND LARGEST LAKE
82 NYX'S REALM
83 INUNDATION
84 AUDEN AND ANGILOU
85 AMALGAMATED
86 YOUSKEVITCH OF BALLET
87 SLICK
88 LUMMOX
89 ABOLITIONIST COFFIN
90 TONE DOWN
91 AUDACITY
92 "FANNY" STAR
93 AUBURN RIOT
94 HELEN HUNT JACKSON NOVEL
95 FANNY
106 NE'ER-DO-WELLS
109 PTOLEMY'S MUSE
110 SMOKED HERRING
111 CHIC
112 TENSTRUCK LOCALE
114 APRÉS-AKI BEVERAGE
115 MUSCAR MAN
116 APLOMB
117 APHORISM
118 FAMILIAR "400" NAME
120 SPANISH SNACK
121 JACK — OF WESTERNS
122 POET DOVE
123 MOUSY
124 CRAMPED QUARTERS
125 POTENT PALM POTION
126 "WHAT — FOR LOVE" — A CHORUS LINE
127 BOOKS PERS.

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Roman Britain, Intact and in Context

LONDON—For the next three months, those for whom the distant past and buried treasures hold an irresistible lure have a chance of seeing a small group of silver vessels, gold jewelry and coins from what is perhaps the most remarkable archaeological salvage ever carried out in Europe.

After Jan. 15, when the objects from the late fourth and early fifth centuries on view in the British Mu-

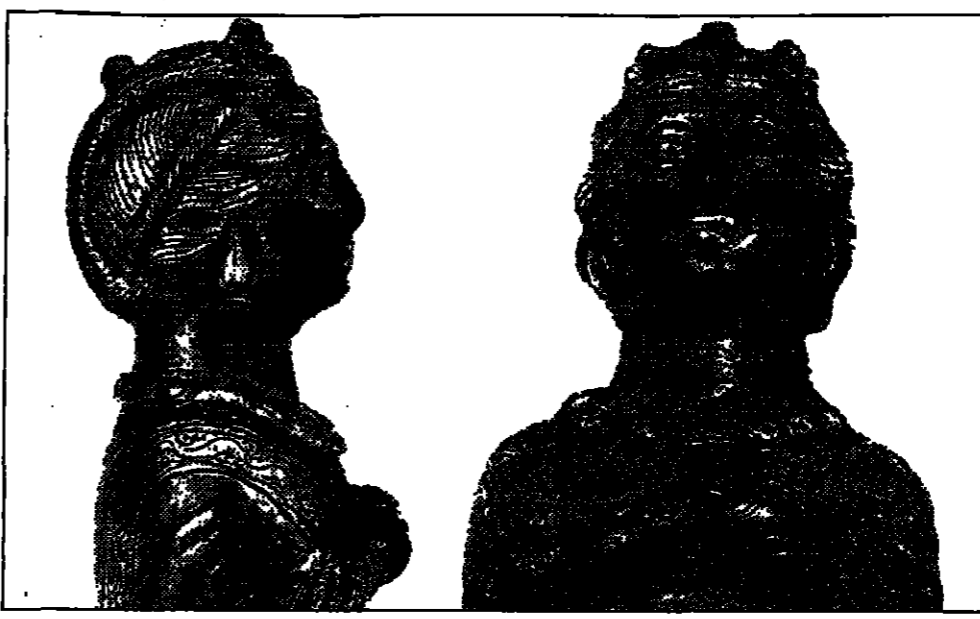
SOUREN MELIKIAN

seum's Gallery of Coins and Medals are taken down, anything may happen. Earlier this month, following a coroner's inquest, they were declared a "Treasure Trove." According to a custom established in the 1920s to protect the archaeological heritage, the finder is entitled to a reward equal to the market value set by a special committee.

If the British Museum should be unable to come up with the \$1 million to \$2 million likely to be cited, the most precious archaeological archive ever to be preserved virtually intact in Western Europe will return to the finder. He will then be at liberty to sell it piecemeal if he so wishes. It would be an irreparable loss to European cultural history.

The story begins on Nov. 16, 1992. Eric Lawes, a retired gardener, was running a metal detector over a grassy patch at Hoxne, Suffolk, looking for a hammer lost by a friend, or so reports say. Suddenly the detector buzzed frantically. Lawes scratched the ground, dug up a silver coin, then another, then gold necklaces and silver spoons. Realizing that this was no ordinary find, he alerted the Suffolk Archaeological Unit.

WITH lightning speed, a team led by a field archaeologist specializing in Roman Britain arrives. Soon they catch glimpses of objects fragile and brittle, which raise major conservation problems, and they are buried in a context as precious as the objects themselves for the information it may yield. The decision is made not to break up obvious groups and to carry out the detailed excavation—one might say extraction—in laboratory conditions. Keeping a close record of every stage, they carve up sections, each one of which is treated as a documentary "context" to be carted off to the British Museum.



Female bust of chased silver, part of the archaeological trove of late Roman treasures.

A photograph in the show illustrates the "recovery of context 34." An ordinary man's eye only sees a mass of sandy soil. "Through the presence of vessels could be inferred, the whole complex was very fragile and X-ray examination was needed before further excavation could take place," the label notes. It did indeed, in the British Museum laboratory where all the material from the excavation, completed by Nov. 17 at night, arrived the next day. Speed was crucial because once word was out that a treasure had been found, the site would have been vandalized without heavy police protection.

From Nov. 19, for two weeks, Catherine Johns, a curator and historian of Roman British art, and Celestine Enderley, a metals conservator, oversaw and recorded bit by bit the finer detail of the excavation. Out of the sandy mass of "context 34," for example, four small silver bowls stacked upside down on top of a slightly larger dish were slowly separated—the complete cleaning has yet to be undertaken. Fragments of organic padding, probably hay, and traces of textile wrapping were found. This, repeated dozens of times, has built up the most accurate and informative archaeological record ever in the British Isles and probably Europe as a whole concerning late Roman times.

Thanks to the unrivaled precision of laboratory work, we know that the objects were packed with

care prior to burial. Corroded iron fittings indicate that a wooden box contained the 14,780 coins and 200 objects of gold or silver so far recorded. Tiny silver mounts, hinges and padlocks plus 150 minute pieces of bone engraved with geometrical patterns suggest that small caskets were stashed inside the box, believed to have measured about 60 by 45 by 30 centimeters (24 by 18 by 12 inches).

BECAUSE the coin hoard was recovered in toto together with the objects, the burial can be dated with a high degree of probability to the years 410-430, a crucial period of British history when the links with Rome were broken off. Of the 565 gold coins, or solidi, 310 date from the reign of Emperor Honorius (393-423) and 147 from the reign of Arcadius (383-408). Almost in mint condition, they had not been in circulation for long. On the other hand two silver coins carry the name of Constantine III (407-411).

The year 410 is conventionally accepted by historians as the date when Honorius, in answer to a request for help against the threatening Saxons, wrote to say that Britain must fend for itself. Coins then stopped flowing in from Rome. The ensuing coin shortage led to the clipping of existing coins and the minting of imitations. This no doubt explains why more than 80 percent of the 14,124 silver coins, or siliquae, in the hoard are clipped

and, perhaps, the 178 forgeries of the fifth century that have so far been identified.

The insight that the hoard provides into a rich household is fascinating. Spoons, it seems, were treasured—78 silver specimens have been recovered, many with inscriptions naming the owner in capitals inlaid in niello.

Some are delightful works. One model has the bowl attached to a short S-shaped handle terminated with a duck head. It is known outside Britain from the Kaiseraugst hoard in Switzerland, but the detail points to an original regional school. The "marine panther," engraved and gilded, is handled with a cartoon-like sense of fun. In another spoon, a bearded man seen head and shoulders glares with the merest suggestion of a squint and a baroque curly hairdo perched on his head like a cap.

A single handle in the shape of a tigress with stripes inlaid in black niello is a bit of an enigma. It must have belonged to a two-handed amphora. Yet, no traces of solder or of the amphora remain, as if the handle had been packed and buried for its own sake. It is a Near Eastern idea handled in Roman fashion somewhere around the Mediterranean. Could this be a souvenir?

Most astonishing is the silver feminine bust made of chased sil-

ver. It was part of a pepper pot as shown by the pierced base and the swiveling circular plaque with two clusters of pin-size holes. When these coincided with the heart-shaped openings in the base, the pepper came through. Stylistically, the object is remarkable. The eyes, irregularly set, the minuscule pupils, now hollow, which may have been inlaid, give it a striking expression anticipating some of the much later medieval silver sculpture.

Two other pepper pots display a remarkable animalier style in miniature scale. The reclining ibex inky, one is a Middle Eastern theme but the artistic interpretation is entirely its own.

Some of the gold jewelry is a revelation. A "chest band" consists of two bands of gold wire forming a chevron pattern that cross over the chest, linking in a central brooch. A Romano-Egyptian pottery figure in the museum shows what a striking appearance those who wore them must have made.

MOST precious to historians are the 22 objects that name the owners. A bracelet has an inscription in Latin capitals on a scrolling ground wishing "felicitas usque to Dame Juliana." A set of 10 matching spoons carries dedications inlaid in niello to Aurelius Ursicinus. Several characters called Ursicinus without a forename are known from documents. Eventually it may be possible to relate the spoons to one or the other.

Taken in conjunction with other treasures, the Hoxne hoard becomes even more important. Johns observes that 24 overtly Christian symbols or phrases have been recorded on the objects and none of "paganism," in contrast to the 14 Theford treasure, which produced "numerous pagan inscriptions." We thus learn that religious allegiances varied in the establishment.

Those who buried the treasure meant to return, otherwise they would have taken the pieces along. Concealing precious objects underground was normal procedure in antiquity for those who went abroad, Johns says. Did mounting insecurity deter them from coming back? Future research, perhaps future finds in an area that has yielded others in the past, wantonly scattered and thus lost to science, will provide the answer one day.



"Double Portrait" by Freud from exhibition at Whitechapel Art Gallery.

Freud's Nudes Reveal A Brooding Intensity

By Claire Frankel

LONDON—"What do I ask of a painting?" asked Lucien Freud in the 1987 National Gallery catalogue, "The Artist's Eye." "I ask it to astonish, disturb, seduce, convince." Now six years later, the exhibition at London's Whitechapel Art Gallery (until Nov. 21) emphatically underlines his demands.

No one can paint flesh as Lucien Freud does. He builds up a rich impasto, mixing it with enormous assurance and control, molding it to its realistic three-dimensional forms.

The Berlin-born grandson of Sigmund, Lucien Freud's energy and originality brings a sense of urgency and boldness to his work. His portraits, whether head and shoulders or nude body, reveal a brooding intensity. Freud metaphorically climbs inside the model's body, capturing the sinew and inner tension.

"I would wish my portraits to be of the people, not like them," he has said. "As far as I am concerned the paint is the person."

For this reason, his models are almost invariably people he knows very well; family, lovers and friends painted in his austere studio. His private life is completely intertwined with his work, although names rarely identify the models on the canvas. Freud's involvement is so patently clear that the viewer often becomes something of a voyeur: What was his relationship with the model? What is the affinity between the pair of models?

Freud, 71, a handsome man with piercing blue eyes, is often accused of eroticism but his paintings are not erotic. He examines the model, including his daughters, intently for six or seven hours, nude, exposed, vulnerable. Many of the female nudes have an anguished, fearful expression, their angularity often emphasized by awkward positions. Freud has said that he does not place his models. They want to relax in their own way. Nevertheless, some of the nudes belie this instruction, looking uncomfortable in poses more associated with gymnastics. On the other hand, those wearing clothes look extremely relaxed as in "Double Portrait," which depicts a girl with a satiny dog asleep at her side, his head on her shoulder.

Freud abhors because the viewer is unaccustomed to nude paintings of normal, as opposed to idealized bodies. Often the models are not "pretty." For many, this warts-and-all approach is unflattering, embarrassing, even offensive. He is never sentimental and his scrutiny is sharp. Concentrat-

ing since the late 1960s and until recently on the female nude, he seemingly portrays every hair, every vein, each nuance, bulge or bone. He has destroyed the established, classical view of art and the use of the nude.

In an interview with his male model Leigh Bowery, Freud acknowledged the possibility that "through my intimacy with the people I portray, I may have depicted aspects of them which they [the viewers] find intrusive."

The exhibition features a group of six nude paintings of Leigh Bowery, who has been Freud's model since 1990. In a new response to the male form, he paints genitals, rarely painted in such realistic detail. There is nothing prurient; it is simply part of the body and, as such, no less important or interesting than an ear or a foot.

Curiously, knowledge of the identity of some of the models becomes an intrusion, diminishing the impact of a painting of voluptuous realism to that of a particular person.

"And the Bridegroom," painted this year, positions a nude man of substantial bulk sprawled across the bed on his back. His small bony, female partner is curled beside him, her leg, searching for space on the bed, is thrown across his outstretched thigh. A black screen frames and encloses their spent bodies. But we know the bridegroom is Leigh Bowery and we are distracted in the enigmatic joke of the title.

THE exhibition tours next to the Metropolitan Museum of Art in New York (Dec. 16-March 13), then to the Centro de Arte Reina Sofia in Madrid (April 6-June 13).

The Metropolitan deleted from its show "Fragments of Leigh," an explicit portrait of waist and crotch. They recently bought "Naked Man Back View," which emphasizes Bowery's massiveness by placing him on a low white feminine footstool. Angles and textures formed by the hanging sheet, impastoed wall, smooth wooden floor and fuzzy rug carpet conspire to focus on his body.

Freud is a perfectionist. The Duke of Devonshire, whose portrait and those of his family hang in his private apartments at Chatsworth, relates that after 36 sittings of two hours each, Freud phoned him, "I'm sorry," said the painter, "I want you back, I'm not satisfied with the silk of your shirt. Rembrandt wouldn't have been satisfied and neither am I."

Claire Frankel is an American journalist who lives in London.

ough, three drawings by Picasso and a small painting by DeGas.

"It was unbelievable to find these four paintings, particularly the Vermeer and the Goya," Dierdre Rowson, the administrator of the collection at Russborough House, said in a telephone

PARIS—Two extraordinary paintings, a Vermeer and a Goya, have been recovered by the police in Belgium seven years after they were stolen from a private collection in Ireland.

The paintings, Vermeer's "Lady Writing a Letter With Her Maid" and Goya's "Portrait of Dona Antonia Zarate," were among the most valuable works of art to have disappeared into the hands of thieves in recent years.

They and 16 other paintings were stolen from Sir Alfred Beit's collection at Russborough House near Dublin in May 1986. All but three of these oils—Rubens's "Head of a Man" and two small 18th-century Venetian landscapes by Francesco Guardi—have now been recovered.

It was considered one of most important art thefts since World War II, though it was eclipsed in the public's mind by the still unsolved disappearance of 12 masterworks from the Isabella Stewart Gardner Museum in Boston in March 1990.

The Belgian police discovered the Vermeer and the Goya when they arrested three Irishmen and a Yugoslav who were driving two rented cars near Antwerp on Sept. 1. The police also found six other artworks: two more paintings from Russbor-

Stolen Vermeer and Goya Found

By Alan Riding
New York Times Service

ough, three drawings by Picasso and a small painting by DeGas.

"It was unbelievable to find these four paintings, particularly the Vermeer and the Goya," Dierdre Rowson, the administrator of the collection at Russborough House, said in a telephone

interview. "It's the most exciting thing that has happened here since the robbery itself. It's brilliant."

The two other Russborough paintings that were recovered were Gabriel Metsu's "Man Writing a Letter" and Antoine Vestier's "Princesse de Lamballe."

Brian Kennedy, an assistant director of the National Gallery in Dublin, to which Sir Alfred donated the Vermeer, the Goya and the Metsu in late 1986 while they were still missing, said the Vermeer and the Metsu had suffered "slight humidity damage."

He said the Goya, which had been removed from its frame, had some scratches on one side, but they had not affected the portrait's face.

Nureyev Auction Delayed

NEW YORK—The two-part sale at Christie's of Rudolf Nureyev's paintings, sculpture, furniture, textiles and costumes, which the auction house estimated would bring \$5 million to \$7 million, has been postponed a year. The delay results from a challenge to the dancer's will that has been filed by Nureyev's sister and niece, who live in Paris.

Sunday Open House in French Châteaux

PARIS—The French are not famous for opening their doors to strangers, but on one day a year, throughout France, visitors are welcomed at châteaux, gardens, convents, factories and private homes.

This year's Journée du Patrimoine, the 10th, falls on Sunday.

In Paris, in addition to free tours of the Marais area in French, two volunteer members of the heritage group Paris Historique are offering guided tours in English.

Alfred de Graaff, an American now in his fifth year of leading the tours, particularly recommends visits to the Hôtel des Ambassadeurs de Hollande; Le Vau's Hôtel d'Aumont on the Rue de Joux, which has become an administrative tribunal; and the Renaissance Maison de Marie Touchet, hidden behind a modern building.

There will be three tours of the Marais for English-speaking visitors, at 11 A.M., and at 2 and 4 in the afternoon. Each tour covers 10 sites and lasts one-and-a-half hours.

The tours begin at the headquarters of Paris Historique at 44-46 Rue François Miron in the 4th Arrondissement.

Information on visits in and outside of Paris is available by telephone from the Caisse Nationale des Monuments Historiques at 44.61.20.00.

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INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

End the Vietnam Embargo

Sooner or later some American president will find the courage to end Washington's now-pointless vendetta against Communist Vietnam.

Americans are now being held. Meanwhile, Clinton administration officials report that Vietnam's government is actively cooperating in the search for MIA remains.

George Bush began the process last year by letting U.S. companies prospect for future business in Vietnam. Then Mr. Clinton dropped longstanding American objections to loans for Vietnam from international development banks.

Now America's European allies, along with the main non-Communist governments of Asia, are forging new links with Hanoi, sustaining its pro-market reforms and encouraging its peaceful integration into the Asia-Pacific region.

The Governors Are Happy

President Bill Clinton spent 12 years as Arkansas's chief executive and was a leader in the National Governors Association, where he won his reputation as a policy maven.

While more flexibility for the states is in principle a good idea, advocates for various causes — especially for increased assistance to the poor — worry that looser federal mandates will make it easier for governors and state legislatures to move money away from constituencies that lack political clout.

The report of Vice President Al Gore's National Performance Review was yet another reminder that Mr. Clinton has not forgotten his friends among the governors.

These are issues that should be pursued, but at least the report offers a chance for a realistic debate about how federalism should work.

'May It Please the Court'

The U.S. Supreme Court is upset because a political scientist is making a commercial killing with recordings of the court's oral arguments.

High court oral arguments are high drama and often high legal craftsmanship. Mr. Irons has boiled two dozen arguments down to excerpts of less than half their length.

Such preoccupations are unworthy of the justices' time, and imply that the high court's members own the sound of their own voices when they speak from the bench.

It is thrilling indeed to hear even smatterings of arguments in cases like Roe v. Wade, Miranda v. Arizona, the Pentagon Papers and the flag-burning controversy.

Other Comment

Assad, Minus His Backers The issue between Israel and Syria is no longer one of principles but of price. Damascus wants the whole Golan immediately, just as Sinai went to Egypt.

same way, with confidence-building steps. This is obviously what the Americans think. President Bill Clinton has already telephoned President Hafez Assad, obviously not to swap pleasantries but to remind him of the strategic logic in the Middle East.

Clever Oslo Can Play an Ongoing Role

By Stephen S. Rosenfeld

WASHINGTON — Norwegian diplomacy made a crucial contribution in setting up secret Israeli-Palestinian talks and, beyond that, in steering those talks toward agreement.

It had become almost an article of faith that only a vigorous American role could induce suspicious Israelis and Palestinians to make, to the United States, the necessary concessions that they could not make to each other.



By TDH in Times (Illustration, C.W. Sullivan)

Nordic country in a particular Middle East outcome helped make Oslo palatable as a go-between. This is on top of the deft professionalism of Foreign Minister Johan Jorgen Holst and his aides.

But what intrigues me is whether Israelis and Palestinians may not feel psychologically liberated by their success in hammering out, practically by themselves, the path-breaking accords on mutual recognition and first-stage Palestinian self-rule.

To the Hawks: It's Your Turn to Give It a Chance

By A. M. Schindler

NEW YORK — When Menachem Begin came to power in Israel in 1977, American Jews fell into a state of shock.

policy. Still, their alarms and their badgering are sure to make peace-making more difficult.

It is now that the Arab powers understand that the real threat they face is not the steady achievements of Zionism but the rampaging golem of Islamic fundamentalism.

At the time I was head of the Conference of Presidents of Major American Jewish Organizations. As an unreconstructed dove, I had every reason to fear Mr. Begin's ascendancy.

Again American Jews are breathless at the sudden changes. But I have heard no supportive words from unconstructed hawks about the need to uphold Israeli democracy.

This is the reading, at any rate, of those of us who support the elected leaders in Israel. They are veterans all of the wars, the intelligence gathering, the terrorism, the funerals — what Prime Minister Rabin called on the White House lawn "a pain [that] will never heal."

Today, the shoe is on the other foot. Yitzhak Rabin, whose resignation as prime minister in 1977 precipitated Mr. Begin's election, was returned to office as a self-declared peacekeeper.

Mr. Begin and his party had been elected by the people of Israel, in a democratic process unique in the Middle East. It was our obligation to give him a chance. He did not disappoint us.

From American Jews they deserve fervent prayers at the very least — not muttered curses from those who, within the safe haven of these shores, still defy land over life.

NATO: A New Role and Mission Await in the East

By Flora Lewis

PARIS — The last few years have highlighted the truism that it is harder to make peace work than to sustain war.

work efficiently without the political will and unity of its member nations. But NATO's structure is such that it is better able to concentrate will, and thus to act also in a United Nations context when called upon.

members of the most successful club are reluctant to accept newcomers, wary of expanding their commitments or diluting assurances.

But peace is the condition for all the other things societies seek — security, prosperity, the confidence to build and grow. The same lucidity of spirit and care should be brought to bear for it, and the same careful planning.

NATO is a unique institution in its combination of means and goals, its insistence on being able and ready to do what it says it intends to do.

But the security vacuum in the half of Europe which lived beyond the Iron Curtain for so long is a danger to both sides of the lingering line.

That theme runs through a plea by Manfred Wörner, the NATO secretary-general, to confront the "disorder and crisis of confidence" which "are once again dominating our European agenda."

NATO is not quite ready to take them in. Russian President Boris Yeltsin opened the door when he said in Warsaw recently that his country would not object to Poland's joining.

It is one of NATO's virtues that it is not impetuous. It moves deliberately, and it should start now to work out what kind of new arrangements are needed to enlarge European security, before the issue shifts from stability to crisis management.

Don't Build on a Shaky Foundation

By Gunther Hellmann and Reinhard Wolf

BERLIN — The failed attempt to lead the war in former Yugoslavia has given new impetus to the debate on the North Atlantic alliance.

Such an absence of common resolve — as dithering over Bosnia has shown — would hardly impress potential aggressors, or reassure their likely victims.

most courageous and most admirable fights of this war south of the Saint-Gobain Forest. These incomparable soldiers made 600 more prisoners yesterday [Sept. 16] under conditions of difficulty which can scarcely be appreciated excepting on the actual battle ground.

There is no question that NATO is the most important stabilizing force in Europe. But adding new members now might put its existence at risk, seriously eroding the strategic consensus among current members.

As matters stand now, differences on Eastern Europe can be sidestepped without violating a central tenet of the alliance. A lack of consensus does not constitute a paralyzing crisis for the alliance, but rather an expression of NATO's limited role in European security.

1943: The Duce's Plea LONDON — [From our New York edition:] A voice purporting to be that of Benito Mussolini, the fallen founder of Fascism, tonight [Sept. 18] heaped denunciations on King Victor Emmanuel III, called for "elimination of Fascist traitors" and bade Italians take up arms again by the side of Germany and Japan.

Proponents of expansion say that admittance of the new Central European democracies would stabilize the region and breathe new life into the Western alliance.

After an earthquake, the prudent architect does not propose to add a new floor to a shaken house — he secures the building's base. NATO planners ought to keep this in mind.

WITH THE FRENCH ARMIES — Creeping on all fours over the plateau and up ravines swept by German quickfires, seeking out hidden machine-gun nests and reducing them with grenades when found, General Mangin's men are making one of the

Advertisement for International Herald Tribune, listing contact information for various offices and subscription rates.

Handwritten text at the bottom of the page, including "JPH 6 150" and "010".

MARKET DIARY

Wall Street 'Witches' Keep Pot Bubbling

Bloomberg Business News NEW YORK — The New York Stock Exchange had one of the busiest days in its history on Friday, as expirations of stock derivative contracts sent trading volume to a hectic 371 million shares.

The Dow Jones industrial average fell 17.60 points, to 3,612.25, as two of its component companies, Eastman Kodak and Westinghouse

Electric, issued disappointing earnings forecasts for the third quarter. Declining common stocks led advancing issues by a narrow margin on the NYSE.

Investors are starting to worry about whether corporate earnings will beat analysts' estimates, said John Brooks, director of sales and marketing at Nolley Group.

Trading was the most active of the year, and the NYSE said the day's business was the seventh-heaviest in history.

A majority of the trading was tied to the so-called triple-expiration of stock-index options and futures and options on individual stocks, which typically leads to frenetic activity as money managers execute sophisticated computer-driven arbitrage transactions.

The rise of long-term interest rates is weighing on the stock market, said William Raftery, market analyst at Smith Barney Shearson.

Options fell after an analysis at Lehman Brothers cut its earnings estimates for the group and lowered its investment rating on Exxon, which fell 1 to 65 1/2. Mobil fell 1 to 76 1/2, and Chevron lost 1/4 to 91.

Kodak slumped 1 1/2 after the company said third-quarter earnings probably will be below last year's results of \$1.01 a share.

Westinghouse fell 1 to 13 1/2. The electrical equipment company said earnings would be down 50 percent from the 22 cents a share earned in last year's third quarter.

General Motors Corp. declined 1 to 45 1/2. A tentative labor agreement reached this week with Ford is considered bad for GM because it fails to make major changes GM needs in its labor-cost structure to make its U.S. operations competitive.

U.S. West Inc. surged 2 to 48 1/2. The telecommunications company said it would take an after-tax charge of \$3.8 billion to eliminate 9,000 jobs and to adjust for an accounting change.

Rumors were rife that the M3 measure of the German money supply for August would show a sharp decline when it was released, probably next week. This indicated that Germany has room to pursue its interest-rate-easing policy.

The rumor was tied to the main factor that has lent support to the mark lately, the painstaking efforts by many European central banks, mainly the Bank of France, to rebuild their foreign exchange reserves depleted by the July crisis of the European Monetary System.

The bulk of the EMS intervention, in which France and other countries sought to support their currencies by purchasing them for marks, occurred in late July. That would have tended to swell German money supply, but in August, when the other central banks began buying back marks to rebuild their currency reserves, the money supply would have tended to shrink.

The dollar drew support from statements reported by The New York Times on Thursday from David Mullins, the Fed vice chairman, and Governor Lawrence Lindsey about a "speculative bubble" that could threaten U.S. financial markets due to an artificial asset inflation.

The yen, however, rose against the mark, adding strength to the dollar. The mark fell to 64.63 yen from 64.90 on Thursday as investors opted for the Japanese currency.

The "mark-yen action helped bolster the dollar-mark parity," said Amy Smith, an analyst at IDEA.



Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Actives. Includes stocks like AT&T, Boeing, and Westinghouse.

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NYSE

Friday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Months
High Low

Symbol	Price	% Chg	12 Months High	12 Months Low
IBM	115.00	+0.5	115.00	100.00
MSFT	45.00	+0.5	45.00	35.00
ORCL	35.00	+0.5	35.00	25.00
INTL	15.00	+0.5	15.00	10.00
GOOG	25.00	+0.5	25.00	15.00
AMZN	10.00	+0.5	10.00	5.00
EBAY	5.00	+0.5	5.00	3.00
SHOP	3.00	+0.5	3.00	2.00
WAL	2.00	+0.5	2.00	1.50
DIS	1.50	+0.5	1.50	1.00
WMT	1.00	+0.5	1.00	0.50
CVS	0.50	+0.5	0.50	0.30
UNH	0.30	+0.5	0.30	0.20
MRK	0.20	+0.5	0.20	0.15
LLY	0.15	+0.5	0.15	0.10
ABB	0.10	+0.5	0.10	0.05
AMT	0.05	+0.5	0.05	0.03
SPX	1000.00	+0.5	1000.00	900.00

Symbol	Price	% Chg	12 Months High	12 Months Low
BA	100.00	+0.5	100.00	80.00
GE	50.00	+0.5	50.00	40.00
GM	30.00	+0.5	30.00	20.00
MS	20.00	+0.5	20.00	15.00
DU	15.00	+0.5	15.00	10.00
GM	10.00	+0.5	10.00	5.00
AM	5.00	+0.5	5.00	3.00
TR	3.00	+0.5	3.00	2.00
W	2.00	+0.5	2.00	1.50
AMT	1.50	+0.5	1.50	1.00
SPX	1000.00	+0.5	1000.00	900.00

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INTL	15.00	+0.5	15.00	10.00
GOOG	25.00	+0.5	25.00	15.00
AMZN	10.00	+0.5	10.00	5.00
EBAY	5.00	+0.5	5.00	3.00
SHOP	3.00	+0.5	3.00	2.00
WAL	2.00	+0.5	2.00	1.50
DIS	1.50	+0.5	1.50	1.00
WMT	1.00	+0.5	1.00	0.50
CVS	0.50	+0.5	0.50	0.30
UNH	0.30	+0.5	0.30	0.20
MRK	0.20	+0.5	0.20	0.15
LLY	0.15	+0.5	0.15	0.10
ABB	0.10	+0.5	0.10	0.05
AMT	0.05	+0.5	0.05	0.03
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AMZN	10.00	+0.5	10.00	5.00
EBAY	5.00	+0.5	5.00	3.00
SHOP	3.00	+0.5	3.00	2.00
WAL	2.00	+0.5	2.00	1.50
DIS	1.50	+0.5	1.50	1.00
WMT	1.00	+0.5	1.00	0.50
CVS	0.50	+0.5	0.50	0.30
UNH	0.30	+0.5	0.30	0.20
MRK	0.20	+0.5	0.20	0.15
LLY	0.15	+0.5	0.15	0.10
ABB	0.10	+0.5	0.10	0.05
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EBAY	5.00	+0.5	5.00	3.00
SHOP	3.00	+0.5	3.00	2.00
WAL	2.00	+0.5	2.00	1.50
DIS	1.50	+0.5	1.50	1.00
WMT	1.00	+0.5	1.00	0.50
CVS	0.50	+0.5	0.50	0.30
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Symbol	Price	% Chg	12 Months High	12 Months Low
IBM	115.00	+0.5	115.00	100.00
MSFT	45.00	+0.5	45.00	35.00
ORCL	35.00	+0.5	35.00	25.00
INTL	15.00	+0.5	15.00	10.00
GOOG	25.00	+0.5	25.00	15.00
AMZN	10.00	+0.5	10.00	5.00
EBAY	5.00	+0.5	5.00	3.00
SHOP	3.00	+0.5	3.00	2.00
WAL	2.00	+0.5	2.00	1.50
DIS	1.50	+0.5	1.50	1.00
WMT	1.00	+0.5	1.00	0.50
CVS	0.50	+0.5	0.50	0.30
UNH	0.30	+0.5	0.30	0.20
MRK	0.20	+0.5	0.20	0.15
LLY	0.15	+0.5	0.15	0.10
ABB	0.10	+0.5	0.10	0.05
AMT	0.05	+0.5	0.05	0.03
SPX	1000.00	+0.5	1000.00	900.00

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NYSE

Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not include late trades elsewhere. Via The Associated Press

Table with columns: Ticker, Price, Change, High, Low, Volume. Lists various stocks and their performance for Friday.

Table with columns: Ticker, Price, Change, High, Low, Volume. Continuation of NYSE stock market data.

Table with columns: Ticker, Price, Change, High, Low, Volume. Continuation of NYSE stock market data.

WAGE: Morale Problems Outweigh Cost Savings Under Two-Tier System

Continued from Page 9

Such contracts because they offer widely Agreements can require two tiers for pay, health care, pensions or vacations.

Whatever the specific provisions, some economists and most union leaders say workers resent two-tier systems. New ones feel underappreciated and their older counterparts often fear that they will be dismissed to make way for cheaper labor.

Brothers Co., which runs more than 100 Shop-Rite and Shop 'N Save supermarkets in New York and New England, Hartford, based in Scarborough, Maine, negotiated two-tier contracts for its warehouse workers in the mid-1980s, but then dropped the provisions after ten- years increased.

"Although it does save costs, the emotional and psychological toll on the everyday work force is hard to manage," said Walter Stulphen, director of labor relations at the company.

Two-tier contracts were embraced by airlines in the early 1980s after deregulation gave rise to non-union carriers and stiff competition.

Under pressure to preserve pay and jobs, the unions caved in, though they often extracted provisions specifying that the new workers would eventually catch up.

He said that when the recession began carving through the industry, many carriers stopped hiring, preventing them from taking advantage of the lower salaries that are part of the two-tier system.

Large table listing various international funds with columns for fund name, price, and other details.

INTERNATIONAL FUNDS

Oct. 17, 1993. Continuation of fund listings.

Table listing international funds, categorized by region or asset class, with columns for fund name and price.

Table listing international funds, categorized by region or asset class, with columns for fund name and price.

For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33.

MONEY

FIRST COLUMN For Savers, It's Tough At the Top

It seems like the predicted corrections are occurring sooner rather than later. The irony is that shares, which appear to be less outrageously pumped up than bonds, are the first to show a susceptibility to economic gravity.

Premium or Discount? An Open Opportunity

By Rupert Bruce

THE exodus of money from private investors' deposit accounts to equities has created both risks and opportunities, according to analysts.

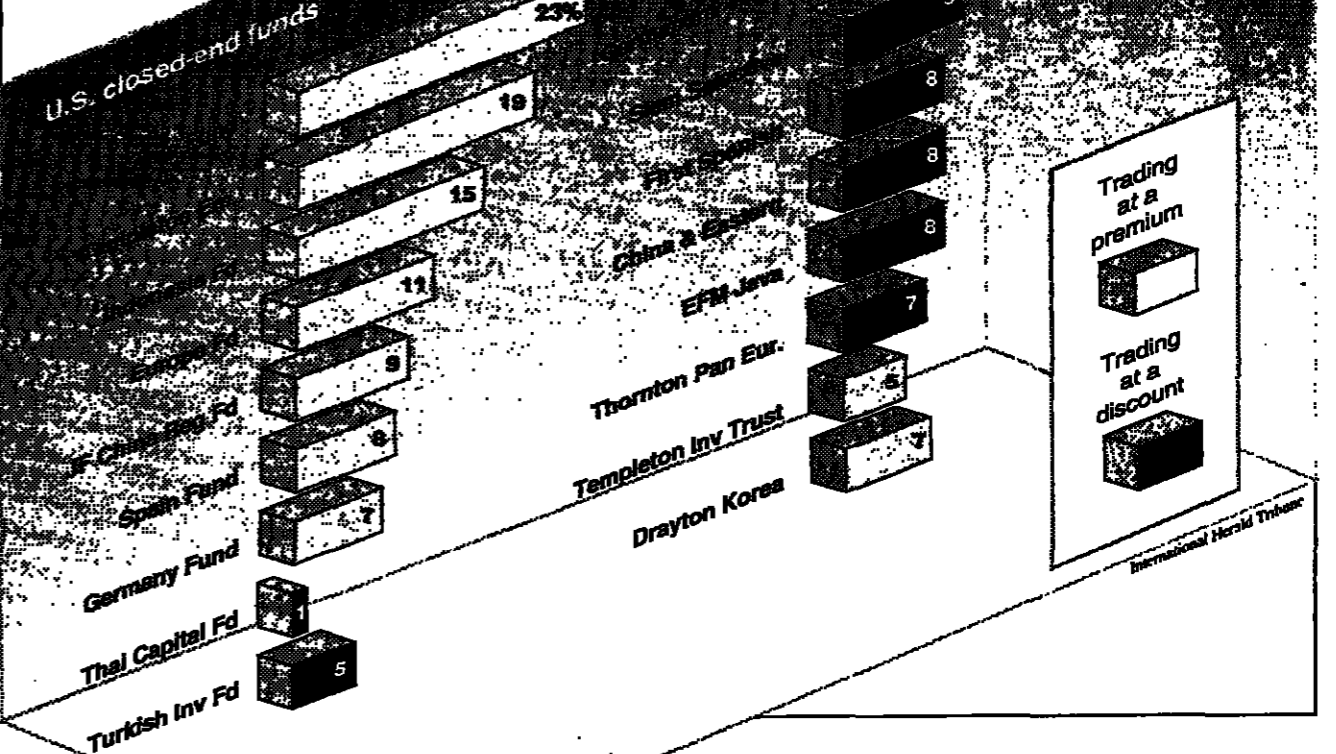
the narrowest discount in living memory, recorded in August. Discounts on both sides of the Atlantic narrowed in the late 1980s as closed-end funds went through a wave of restructurings.

Discounts narrowed in the late 1980s as closed-end funds went through a wave of restructurings. Then they narrowed further as private investors piled into the market.

wave of euphoria that followed the collapse of the Berlin Wall. But investors' expectations were shattered by dismal stock market performance.

Overbought, Oversold

Discrepancies in current value of mutual funds, in %



Source: SG Warburg Research

trading earlier this week at a premium of 19 percent. There are other attractive funds whose high premiums, he says "make them difficult to recommend."

But U.S. investors in many of the country funds may find they do not have as many alternatives among domestic open-end mutual funds.

sterling); another is the wide variety of tax implications, especially if investors are domiciled in the United States, as opposed to being expatriates.

Destroying the Fund to Save the Shareholders

By Kevin Murphy

DON'T like the performance of a fund you've invested in? Take it over—or at least force the managers to shut it down—

The decision to uninitiate comes after Regent Pacific, a major shareholder dissatisfied with the \$17 million fund's slow growth and the wide disparity between its NAV and share price, pushed its managers to accelerate the uninitiation.

about \$10 billion resides in closed-end funds. "If you hold them for a long time, they often don't make that much money," one Hong Kong derivatives fund manager said of warrant funds in general and derivatives.

attached warrants and illiquidity in Southeast warrant markets as impediments to faster action. "Regent has been one of the shareholders saying it should be open-ended sooner," said Mr. Pakenham.

BRIEFCASE

Corporate Profits Down? It Could Be Just a Phase

The effort to make sense of the markets continues: Two computer industry analysts at Prudential Securities have broken down the performance of the companies they follow into a six-phase process.

The securities have a life of three years and pay 6.75 percent interest. At the end of the three years, they will be worth an average of Digital's last 10 closing prices before expiration, up to \$50.625.

Why the interest in that part of the world? The entire Caribbean region has been identified as an area the U.S. wants to expand business activity with.

Lehman Offers New Chance To Play Japanese Market Investors interested in playing the Japanese currency market received a new opportunity this week, as Lehman Brothers Holdings Inc. issued 3 million Japanese Yen Bear Warrants expiring on September 15, 1995.

Caribbean Basin Fund Bets Big on New Ties With Cuba It's hard to imagine an emerging market that's yet to be exploited, but the Securities and Exchange Commission has just granted approval for the initial public offering of the Herzfeld Caribbean Basin Fund, a closed-end fund that will invest in companies in Caribbean islands, northern South America and Florida.

This Looks Like a Buy-Write But Is It Right Buy on Digital? Anyone who agrees with their analysis of Digital Equipment's chances has a new way to do something about it. The American Stock Exchange has listed a new sort of debt security tied to the value of Digital's shares.

THE CENTRAL SOURCE ON FUND INVESTMENT. I.F.I. is a quarterly magazine published by the International Herald Tribune. Topics include: Fund analysis and performance, Opportunities and pitfalls in the markets, Developments in investment management, Custody and administrative issues, Regulation and technology, Personality profiles.

THE MONEY REPORT

Developed Bond, Equity Markets Face Inflation Fears; Korea Looks Good

Members of a panel of experts in economics and investment offer their opinions on the world's major economies, currencies and financial markets.



Howard Flight, director, Guinness Flight Global Asset Management

The strength of equity as well as bond markets in recent weeks has been in sharp contrast to the continuing economic and political problems facing the mature economies of Europe, North America

and Japan. We have argued for some time that a prolonged era of low inflation and low interest rates will be good for financial assets, as opposed to property and other inflation hedges.

The advance in bond markets, and particularly European bond markets, has, however, already achieved our expectation for the year as a whole. Equity market sentiment has also been rather stronger, sooner, than we had anticipated. The main catalyst for these developments has been the ending of the exchange rate mechanism straitjacket, permitting, in due course, interest rates in Continental Europe to fall to appropriate economic levels; European bond and equity markets are now discounting this. The other major factor — as in the 1960s — has been the flood of liquidity out of cash, also largely the result of falling and expected lower short-term interest rates and lower inflation.

The self-evident questions are as to how much further bond yields can fall and bond markets rise, and to what extent there is a major risk of a sharp reaction in equity markets, as a result of values running ahead of economic realities and the recovery in profits. In the short-

term, there must be a high probability that the recent boom will give way to some profit taking, but it is difficult to argue in terms of economic cycles that we are as yet close to a cyclic peak in either bond or equity market values.

The crucial issue is the outlook for inflation. It is perfectly possible, given the continuing major excess capacity and the constraints of large fiscal deficits on expansionary government policies, that inflation rates in the mature economies will long remain in the 2-to-3.5 percent range. If they do, there is clearly still scope for bond yields to fall further, particularly in Europe and Japan.

As in the 1960s, lower inflation and lower interest rates are inherently positive for equity markets, as well as bond markets, driving up multiples and, as in the case of bonds, attracting flows out of cash. It looks likely that this process will continue for at least a further year or two, albeit with inevitable intermittent periods of correction and stabilization. In local-currency terms, among the mature economies, Continental European equity markets must have the greatest upside potential, given their lagging economic cycle and the larger

scope for European interest rates to fall. The U.S. market looks to have the least potential, at least until corporate profits strengthen further. There are strong liquidity arguments supporting the Japanese market, although what will clearly be a long and drawn-out path to economic recovery in Japan, with corporate profits hit further by yen strength, argue for caution with regard to values. The strongest arguments for equities continue to lie with the emerging markets, particularly of Southeast Asia and Hong Kong (as representing China).

In summary, the boom of late summer 1993 looks a bit premature and overdue and invites some degree of reaction.

Outlook

The South Korean government's courageous move for a "Real Name Financial Transaction System" has caught everyone off guard. President Kim Young Sam's much-anticipated goal to build an efficient and corruption-free "New Korea" finally seems to have been put into action. By disallowing assets held under alias accounts



Anna Tong, director, Actna Investment Management (Hong Kong) Ltd.

(which are estimated to total as much as \$25 billion), the government hopes to improve the transparency of the financial system so as to reduce graft and bribery, and insider trading, excessive speculation and unfair allocation of tax liabilities. Most important, the new system is expected to clamp down on underground market activity, which represents almost 15 percent

of gross national product, thereby improving the efficiency of credit allocation.

Although the economy is now feeling the pinch, the next 12 months are likely to be much better for the stock market. The investment theme is liquidity. Equities, the only form of investment with no capital gains tax until 1997, are likely to be the final destination for liquidity, as activity in other markets, such as land, has been virtually suspended by the government's planned corruption investigation.

At the same time, the Bank of Korea is likely to adopt a more accommodative policy to ease the current credit crunch and jumpstart the economy. The M2 money supply figure is likely to grow by more than 20 percent. As wage growth is under control (below double digits) and industry's overcapacity is still unhealthy, inflation does not seem to pose a major threat. In fact, the government has already pledged \$1.7 billion in refund loans to alleviate the funding shortage.

The downside of the market is further limited by possible market-booster measures, which seem unnecessary at the moment. The most frequently mentioned is the expansion of the current 10 percent foreign ownership limit. Another possible measure is to force support from local institutions, which have in the past been somewhat reluctant investors.

Although corporate results for the first quarter of this year are disappointing, due to declining margins and high funding costs, and the problems are likely to be further exacerbated by the implementation of the real name system, the investment focus should be on improving liquidity over the medium term. The Korean market has been famous for its volatility because of heavy retail involvement.

Any major selloff due to worries over the economy, however, should be viewed as an opportunity to accumulate.



Christopher Kwiecinski, investment manager, Banque Indosuez, Global Private Banking

August did not disappoint investors looking for excitement on world financial markets. While you were on vacation, there was plenty of sunshine in dollar-based portfolios, and European currency-oriented investors also have little to complain about. The major events were a severe crisis within the ERM, a reversal in the upward trend of the dollar against the European currencies, the continuation of the euphoric rally on major bond markets, a noticeable improvement on some European bourses and a break in the bull run on gold.

Indeed, recent weeks have provided a lot of fresh information to digest. Nevertheless, the markets are signaling several important messages. The first is that dollar-oriented investors are searching for alternatives to abnormally low U.S. interest rates. The cycle in interest rate decline appears to be overdue relative to current and future inflation. Top U.S. Federal Reserve

Board officials have called current real interest rates too low.

Yields on medium to longer maturities have declined to levels where modest price deterioration can easily offset income return, particularly after fees. This has rendered the bond market vulnerable to a setback, with a possible adverse effect on longer-term portfolios. They could experience negative returns over a period of several months, but it is probably still too early in the interest rate cycle to become confident that cash will start outperforming bonds. But the gap, based on expected returns, has been narrowing. However, only investors with short memories can afford to ignore the inevitability of such a turning point.

Another alternative consists of going down the credit scale in search of higher yields. Risks appear acceptable as long as the business cycle holds up and monetary policy is not reversed abruptly, which is unlikely in the short term. Moreover, the U.S. economy is probably somewhat stronger than generally perceived. The August employment report, in particular, overstated current economic weakness. Yet it triggered the latest surge in bonds and a dollar sell-off.

Finally, equities do not stand out as an attractive alternative unless pricing power is restored. Market indexes have hovered near their historical highs, but this reflects mainly very low interest rate levels.

The persistent dollar undervaluation relative to the European currencies will tend to exacerbate protectionist pressures, dampen growth and the outlook for European equities. In this environment, dollar-oriented investors will continue to find good value (especially double-digit returns) in Canadian bonds and selected emerging equity markets, particularly Mexico and South Korea.

Berlin Bourse Challenges Frankfurt

By Ann Brocklehurst

THIS week's falls on the world's stock exchanges were of relatively little importance to the Berlin stock exchange. Berlin trades the second east German company to go public — Berliner Spezialflug. But while such listings are exactly the type of business the bourse is hoping to attract, its main objective is simply to survive the competition from European stock markets, including Frankfurt.

Berliner Spezialflug is an airline company that used to be under the wing of East Germany's interflug. Its business is offering surveying and photographic flights in Russian-designed helicopters as well as commuter flights in Beech turboprops. It has 110 employees and estimates turnover this year at 16 million Deutsche marks. And unlike many east German companies, it made a small profit last year.

Unfortunately for Berliner Spezialflug, the timing of its listing was not optimal. The shares of the first east German company to go public, the dairy Sachsenmilch, plunged this summer to about half as much as they were worth when they were floated 18 months ago. The stock

had to be temporarily suspended in both Frankfurt and Berlin after revelations that crooked management had almost bankrupted the company.

The scandal has made analysts and investors even wiser about east German stocks than they were before, which, according to the Berlin Exchange's chief executive Jörg Walter, is perhaps unfair. "The decline of Sachsenmilch appears to many as a typical East German problem, but it isn't," he said. "It could happen just as easily in West Germany."

In order for Berlin, which rated by turnover is the second smallest of Germany's seven regional stock exchanges, to develop into a truly competitive market it will have to attract more successful east German companies looking to raise capital, as well as new investors and a bigger, more active financial community, Mr. Walter said.

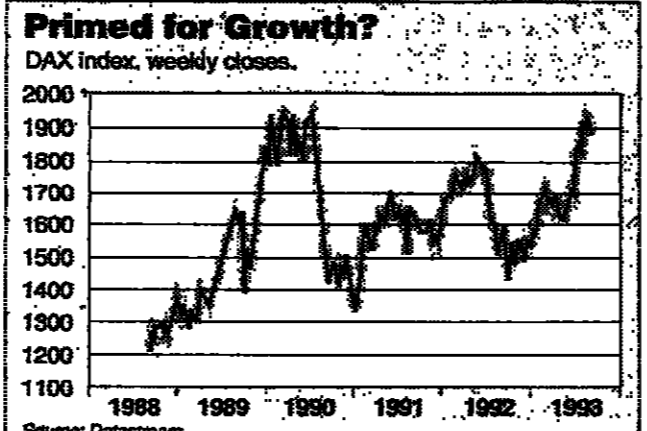
Given its position as the only stock exchange in eastern Germany — Mr. Walter does not believe Leipzig will succeed in its plans to start up a bourse — and as the future seat of the federal government, Berlin has far more development potential than the other regional exchanges which are all

losing market share to Frankfurt. Michael Schubert, capital markets analyst at the Berliner Bank which is the Bourse's biggest broker, says that once the recession ends, Berlin will have one of the country's strongest growth rates. And he asked: "Why should that pass the stock exchange by?"

AFTER the strong and unexpected two-month-long rally in German share prices, which has sent the 30-stock DAX index to three-year highs, this week's falls on the Frankfurt came as no surprise. But will the losses continue?

No, say market watchers who see potential for a continued climb, despite uncertainty about when the country will emerge from its worst post-war recession and nervousness about how long it will take to get eastern Germany on its feet. "From a technical point of view, it seems to be the right time to sell, but from a strategic point of view, we don't see we're heading to a significant correction," said Christian Landers, vice president of equity sales at Lehman Brothers in London.

The explanation for the recent rally is a general expectation that the German economy as a whole



International Herald Tribune

will start to recover in 1994, with blue-chip companies leading the way. But if the upswing doesn't begin until 1995, investors may be disappointed. Mr. Landers believes this year's earnings forecasts are overly optimistic for many companies and does not think they are justified solely on the basis of the recent cost-cutting measures taken by many firms.

International investors are looking for German stocks to follow the same pattern of U.S. shares since they began their climb in 1991 out of recession, said Hans-Peter Wodnick, head of German research at James Capel in Frankfurt. "We

have exactly the same scenario here in Europe these days."

Mr. Wodnick is still recommending cyclical stocks such as banks, an insurance and chemical companies.

Mr. Landers, on the other hand, sees too much overcapacity in the chemicals sector and favors insurers. So does Kurt Ochner, manager of the smaller companies fund at Bankhaus Schröder Münchener Hengst. He expects smaller insurers like Allianz Leben, Mannheim Versicherung and Kölner Rückversicherung to perform as strongly as the giant Allianz, which rose this week to around 2,500 Deutsche marks from a 1993 low of 1,945.

Service Is Name of New Swiss Game

By Philip Crawford

ALTHOUGH known for nearly two hundred years as a bastion of secrecy and old world banking wisdom, Switzerland's status as the jewel of the elite private banking world's crown has come under increasing scrutiny.

The shadow over its erstwhile sparkling image, by now clearly visible to international investors, has been cast by offshore banking centers such as the Channel Islands, Grand Cayman and Bermuda, and by "offshore-onshore" Luxembourg. Such locales, in the minds of some analysts, have begun to outshine Switzerland in ability to serve the high-net-worth individual seeking to protect and increase his assets.

But those in Geneva, the center of Swiss private banking, are fighting back. While acknowledging that some regulatory loosening of legendary Swiss banking secrecy — brought about by efforts to combat money laundering — has chased some money out of Switzerland, they maintain that their confidentiality standards are as rigorous as those of their offshore competitors, and that their service standards are superior.

From nowhere is that cry heard louder, moreover, than the family-owned, "true" Swiss private banks, some of which have been in business since the 18th century. Indeed, the bankers who confer with their well-heeled clients in the museum-like surroundings of firms such as Pictet & Cie. and Lombard Odier & Cie. say they have a product decidedly not found in exotic offshore locales with spazzy tax legislation: tradition.

"It's about generations of bankers from the same families serving generations of clients from the same families," said Pierre Tissot, a senior investment officer of Lombard Odier, which opened its doors in 1798. "Nowhere else can you find that level of trust over so long a period of time."

In Switzerland, legal distinctions set bankers private, or private bankers, apart from commercial banks such as Union Bank of Switzerland or Credit Suisse, whose asset management divisions now fall under the ever-expanding global rubric of what is now thought of as "private banking." Banquiers privés must organize themselves as a partnership in which full liability for the bank's profits and losses rests with the partners and their own personal assets. Portfolio management is the sole service offered to individual clients. Since such banks

Table with 4 columns: Category, Number of banks, Assets in billions of Swiss francs, Employees. Rows include Private banks, Total banks, Private banks % of total.

Swiss Private Banking (at end 1992) Sources: Pictet & Cie, International Herald Tribune

are privately held, moreover, they are not required to publish any figures regarding their performance.

At the end of 1992, there were only 19 banquiers privés in Switzerland out of 569 total banks, employing 2.1 percent of the country's banking employees and holding 5 percent of Switzerland's 1.1 trillion Swiss francs (\$792 billion) in total banking assets. Pictet, founded in 1805, is the largest private bank, followed by Lombard Odier, and Darier-Hentsch & Cie.

James Crot, a senior manager at Pictet, bristles at the suggestion that Swiss banking secrecy has become less than that in offshore centers. "It is a crime in Switzerland for a banking employee to divulge client information to a third party," he said. "And even within the bank itself, the name of the account holder is not on the screen when an account is being looked at, just the number. Access to the name is extremely restricted."

As is the case in offshore banking centers, investigators in Switzerland must prove to a court that there is sufficient cause before asking bank officials to disclose confidential account information.

But the ability to provide a high degree of confidentiality does not mean that Swiss private banks have become a safe harbor for illicit funds, Mr. Crot added. "The image of someone showing up at a Swiss bank with a suitcase full of cash and being welcomed with open arms is nothing more than a cliché," he said. "Anyone wishing to open an account with us must provide exhaustive documentation of the money's origin and of their own background."

Mr. Tissot, of Lombard Odier, said the perception that offshore centers have taken private banking business away from Switzerland is

an erroneous one. Acknowledging that political pressures have loosened the once-airtight Swiss banking secrecy a bit, he also maintained that Swiss norms are as strict as those in the Channel Islands or Grand Cayman. He added that service standards, perhaps the essence of what private banking is all about, are higher at Swiss private banks than anywhere else.

Indeed, said Mr. Tissot, the primary challenge faced by Swiss private banks has not come from offshore centers, but from the ever-growing asset management arms of the major Swiss commercial banks.

Mr. Tissot maintained, however, that banquiers privés could provide better service than the big Swiss banks. "For one thing, we have a greater degree of confidentiality," he said. "The sheer number of people involved with one account is much lower."

Ernst Haubert, a senior vice president and director of private banking at Union Bank of Switzerland, took exception to that view. "Despite being a huge bank, UBS has a very private touch," he said.

Mr. Haubert dismissed some offshore centers as unworthy competition for UBS. "I don't think there are too many people traveling to the Channel Islands for private banking," he said. "The Channel Islands may be a bit different."

To be sure, Swiss banquiers privés and portfolio-managing commercial bankers may quibble among themselves over who can provide the best service and performance to the international private investor. But they stick together in arguing that Switzerland is still the private banking power of its tradition.

"There's still a lot more money coming into Switzerland," said Mr. Crot, "than there is going out."

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Table with 4 columns: Country/Currency, 12 months + 3 months FREE, % SAVINGS, 6 months + 3 months + 13 FREE issues, 3 months + 13 FREE issues. Lists various countries like Austria, Belgium, Denmark, etc.

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On November 30th, the IHT will publish a Special Report on PRIVATE BANKING. Among the topics to be covered are: Washington's approach to the tax-shelter business, EC's campaign to harmonize tax and reporting policies, etc.

مركز من الأصل

THE MONEY REPORT

U.S. Tax Tips for New Arrivals

By Samuel H. Okashken

A FOREIGNER investing capital in the United States, or contemplating a move there for work or otherwise, should put tax planning at the top of the list of things to do beforehand: doing so can cut all or some of the potential income tax, gift tax and estate tax costs. Leaping without looking may yield disastrous and irreversible fiscal results.

Six key elements are involved in the "looking" phase: whether the foreigner is a U.S. resident or nonresident; the type of activity contemplated; the category of income involved; the location of any property involved; whether an applicable treaty rule affects or can be made to affect the transaction; and how the transaction or property holding is structured.

(A "foreigner" can be a U.S. resident or nonresident. A "green card" holder is considered a permanent resident for immigration purposes and is automatically a resident for tax purposes. Others, too, may be considered residents for tax purposes. The law bases this determination on an objective day-count physical presence test and also permits one to elect resident status.)

Question 1: I am French and living in France. I have never been to the United States and have no plans to visit. What are the U.S. tax implications if I invest in American stocks and bonds?
Answer: Your dividends are subject to withholding. The normal 30 percent withholding rate is reduced to 15 percent by the Franco-American tax treaty. Even in the absence of a treaty, bond and bank interest is normally exempt from U.S. withholding tax. Any capital gains you realize on your investments will normally be tax free. At your death, your U.S. portfolio will not be subject to U.S. estate tax, again because of the treaty. An investor not

benefiting from a treaty should study Question 8.

Question 2: I am a Japanese businessman. After four years of U.S. residence, I surrendered my green card when I left permanently on July 19, 1993. Now I want to liquidate my U.S. stockbrokerage account, which has a potential \$500,000 capital gain. I was told that I am not subject to the U.S. capital gains tax because I no longer have my green card. Correct?
Answer: Incorrect. At the risk of using an exaggerated metaphor, you are in shark-infested waters. Keep swimming! The capital gains rule is straightforward. As a nonresident alien (which you become when you surrender your green card) you would be taxable on your U.S.-based capital gains at a 30 percent nonresident rate.

Reason: You would have been physically present in the United States for 183 days or more during the year of the sale. As you have already swum past the 182-day safe harbor (albeit while a resident alien), any sale you make before January 1, 1994, will trigger a full capital gains tax (at 30 percent). So hold onto your stocks until New Year's Day. The U.S.-Japan treaty does not bail you out of this one. (You must file a "dual status" tax return for 1993, one for the resident part and one for the nonresident part.)

Question 3: I am a Greek living in Crete. I intend to purchase a house in Boston and rent it until we either move to the States or sell the house when the real estate market is up. What are the tax issues? How about some planning tips?
Answer: Your concerns are twofold: How rental income is taxed and how any realized profit is taxed when you sell the house (while still a nonresident alien).
Rental income: Without planning, you can expect your rental income to be taxed at a flat 30 percent (or lower treaty rate). "Rental income" means total rents

collected, without offset for expenses such as mortgage interest, real estate taxes, capital depreciation, etc. To use an example, assume your gross rents in 1994 are \$30,000 and you spend a total of \$22,000 in mortgage interest, taxes, insurance, maintenance and repairs. Although your economic profit is \$8,000, you must still pay the 30 percent tax on the full \$30,000 of rents, which leaves you \$1,000 out of pocket.

Planning idea: Make a "Section 871(d) election" to treat the rental as a business. You are then permitted to net your expenses against rental income and to claim a depreciation deduction. In the example above, the 1994 economic profit of \$8,000 is further reduced by a depreciation deduction, which we will assume to be \$10,000. The result is a tax loss of \$2,000, and, consequently, no income tax to pay. In a nutshell, by electing to treat the rental as a business, you save \$9,000 of tax. Better still, you can carry forward your tax loss to reduce any tax on the sale of the property.

Assume your adjusted purchase price for the house was \$250,000, and you sell it in 1995 for \$350,000. If you had made an election, your capital gains tax, at 28 percent, would be \$28,000. If no election were enforced, there would be \$35,000 withholding at the time of sale (10 percent of the selling price), but you could later take a credit step to recover part of that tax.

Question 4: What if I bought the house through an offshore company?
Answer: The use of an offshore company to own U.S. real estate is fraught with danger and is ineffective as a means of avoiding the 10 percent withholding tax.

Question 5: I am British, presently working in an executive position in a low-tax Asian country. Beginning in early November, I will be relocated for as long as five

years to my employer's U.S. corporate headquarters. I am owed an accumulated foreign service premium of \$150,000, which cannot be paid until late November or December. How should I approach my move to the States?
Answer: Before reviewing a series of planning steps an inbound foreigner should take, let us quickly compare how the U.S. government taxes income of resident aliens and nonresident aliens. While resident aliens are taxed on worldwide income, nonresident aliens are taxed by and large only on U.S. income. That includes investment income (except for institutional interest, which is usually tax-exempt) and business income, including salaries earned in the United States.

The applicable tax rate depends on the kind of income as well as on whether the nonresident benefits from a tax treaty.
Step 1: Correct timing can save income tax. Compare tax rates in your current country of residence with U.S. rates. If U.S. rates are lower, consider deferral of income until you are a U.S. resident (you may elect to be taxed as a U.S. tax resident even if you would not be considered so under the physical presence test). If U.S. rates are higher, acceleration of income to the premove portion of the year is preferable.

Step 2: Depending on your circumstances, you can time your arrival and take other steps to control whether you are a U.S. tax resident in the first year of your move (as well as in subsequent years, in certain limited cases). You may wish to enter as a resident if U.S. tax rates are lower than those in the country you are coming from, if you wish to take advantage of the extensive treaty network that affects withholding taxes, or simply because your U.S. tax itself may be lower as a resident than as a nonresident because of the graduated rates applicable to residents.

An analysis under Steps 1 and 2 may prompt you to defer your bonus to the post-move period and to elect resident status from the date of entry; or number-crunching may induce an alternative decision.
Step 3: Examine applicable capital gains tax rules. These levies vary from country to country and the decision to realize gains before or after the move may depend on the applicable tax rate (the U.S. rate is 28 percent) and the type of asset being sold (some countries do not tax certain types of capital gains, such as from the sale of a principal residence).
Step 4: Given the new higher marginal U.S. tax rates, plan with your employer to spread income evenly over the period of U.S. residency.
Step 5: Your employer should determine if a social security "totalization agreement" exists that



would cover your employment while in the United States. The idea here is to avoid double taxation in social security and to take advantage of planning opportunities.
Step 6: Examine your employer's retirement plan. Participation in the U.S. company's retirement plan may be possible, but special problems arise such as when the retirement plan can be paid out to the foreigner and the tax consequences when the account is paid out (if the foreigner is no longer a U.S. resident).
Step 7: Many international employers pay or reimburse the additional income taxes related to a foreign assignment. Find out if your employer does this and how its plan affects your case.
Step 8: Consider making premove irrevocable gifts of high yield non-U.S. assets to children.

Step 9: Examine existing holdings through offshore companies or discretionary trusts. Transfers of assets to offshore companies or offshore trusts as interim measures while you are a U.S. resident are almost inevitably not effective to avoid U.S. income tax or even U.S. estate tax. The U.S. tax rules in the offshore area are now nearly loophole-proof. The anti-avoidance rules would apply to existing arrangements as well.
Question 6: I am a Spaniard living in Spain. My son lives in the United States and has a green card. In my will, I bequeath to him an office building in Madrid. Will there be U.S. inheritance tax on that bequest?
Answer: No. If you are not a U.S. tax resident or domiciliary, your capital is not subject to U.S. estate tax. The fact that your son

has a green card is of no consequence.
Question 7: I am a German living in Germany. My daughter became an American citizen. I own a vineyard in California worth about \$3 million that I wish to give to her now. Will there be U.S. gift tax imposed?
Answer: As the vineyard is located in the States, the gift is indeed taxable. If you hold it until your death, it would be subject to U.S. estate tax.
Question 8: What if the property I wish to give consists of stocks and securities of U.S. corporations?
Answer: There is no U.S. gift tax imposed on nonresident aliens for gifts of stocks or securities.

Mr. Okashken is a partner at Levine & Okashken, a Paris-based law firm.

THE FUND PERFORMANCE FOCUS



The Fund Performance Focus has been created in order to give our readers investment information on internationally marketed mutual funds with consistently strong performance figures. (Graphs for the F.P.F. are supplied by Micropal Ltd., the U.K.-based fund statistical service).

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SPORTS FOOTBALL

Cowboys Reach \$13.6 Million Deal With Smith

Compiled by Our Staff From Dispatches
 IRVING, Texas — Emmitt Smith, always difficult to tackle, proved to be just as tough a negotiator.

"My mother always told me, 'Don't let anyone run over you.'"

Smith said after signing a four-year deal for \$13.6 million, making him the highest-paid running back in the National Football League.

"I felt I wasn't wanted by the Dallas Cowboys organization," he added. "The deal should have been done a long time ago."

Owner Jerry Jones called it a win-win situation. But it was more like lose-lose.

Jones, who had said he would never pay Smith more than Buffalo's Thurman Thomas, admitted he "miscalculated."

Smith hung tough and got much more than Jones wanted to pay, including a reported \$4 million signing bonus and 1993 salary of \$3 million. Smith will make \$2.2 million in 1994, \$2.4 million in 1995 and \$2.2 million in 1996.

"I got what I wanted," Smith said. "I wanted to be the highest-paid running back in the NFL. But it was the hardest thing for me to do, to sit in the living room and watch my teammates play on television. It was wearing on me and it was wearing on the team."

For Jones, who had hoped to sign Smith for as little as \$9 million and had, more recently, increased his offer to \$11 million, the agree-



Emmitt Smith had reason to smile as the Dallas Cowboys' owner, Jerry Jones, presented him with a reported \$4 million signing bonus.

ment represented a concession to reality. Without Smith, the Cowboys have simply not been the same team that roared through the 1992 season with a 13-3 record and then crushed the Bills, 52-17, in Super Bowl XXVII.

For Smith, a three-year veteran who led the league in rushing with 1,563 yards in 1991 and 1,713 yards last season, the pact represented the triumph of a proven negotiating strategy devised with his Atlanta-based agent, Richard Howell.

Smith, rejecting Jones's blandishments that he needed to keep the Cowboy's payroll in check in anticipation of a league-wide salary cap next year, simply refused to accept anything less than top dollar, even if it meant sitting out the entire season.

Smith admitted that "if the team had been 2-0, it's possible that I wouldn't be here."

Smith said he hoped to be ready to play on Sunday against Phoenix; he added: "Derrick Lassic deserves to start. I'm not sure how far I can go. It's possible I could hurt the team more than help it."

Coach Jimmy Johnson said Smith may be used sparingly against the Cardinals.

"If Emmitt is available, it will be only on a very limited basis," Johnson said. "He has missed a tremendous amount of work, but should be ready for the Green Bay game on Oct. 3."

Asked if there was a miscue

against Smith, Jones said: "I may have miscalculated, but I've never miscalculated his importance. Emmitt will always be a Cowboy."

Jones said he would get to work on signing quarterback Troy Aikman next. Aikman has two years left on his contract, but Jones would like to sign the player so he could front-load the pact with money this year that won't count against the salary cap.

Smith's teammates, including Lassic, were jubilant.

"Hallelujah," Lassic shouted.

Aikman said he thought Smith would "get some playing time" on Sunday.

"I'd be willing to bet on that," he said. "I think everybody realizes Emmitt has not practiced with the team in quite some time, but he can certainly help us. I hope both sides can put any ill feelings behind them."

Smith also was happy about another thing. He got his Super Bowl ring.

"The ring was sitting on a seat all by itself when Jerry arrived in Atlanta," Smith said. "I was wondering when I was going to get it."

Asked if he could get the team back in the winning column, Smith replied: "I'm not God almighty. It's going to take a lot of work and jelling together. It's a tough climb, but we can do it."

In what turned out to be a public negotiation on his contract, Smith had picked up two key allies, the Washington Redskins, who beat the Cowboys, 35-16, in the season opener, and the Buffalo Bills, who avenged their Super Bowl loss by

Gifford Recounts His Whole 10 Yards

By Richard Sandomir
 New York Times Service

NEW YORK — Frank Gifford never had the itch to write an autobiography, although the adult life of this son of an oil-field worker has been a 40-year string of celebrity: a dozen years with the New York Giants and a seamless move into television capped by 23 years on ABC's "Monday Night Football." He has never been controversial, but he has been famous in New York for an epoch.

Some publishers wanted a tell-all tome that bashed Cosell, who laid waste to Gifford in his memoirs. No, Howard said. More important was a need to explain his Depression rearing, in which he moved 48 times, and how football vaulted him from Bakersfield, California, to stardom.

"My older children had no idea how I grew up," said Gifford, referring to his three oldest children, from his first marriage. "All they knew was Dad on TV. Dad packing to leave, and Dad unpacking when he came back. I wanted them to know why I was motivated to be what I was."

Random House went for it and is publishing "The Whole Ten Yards," which Gifford wrote with Harry Waters. It holds one distinction in that excerpts are appearing in three magazines: GQ, TV Guide and Good Housekeeping.

In part, Gifford was pushed into pursuing the book by Frederick Exley, the late writer, whose 1968 novel, "A Fan's Notes," mythologized Gifford as a peepkin Thor. He befriended Exley, who had a crush on Gifford's girl friend (and the first of Gifford's three wives) when all three attended Southern Cal.

"It wasn't self-analysis," he said of writing the book. "It was fun. Harry and I just enjoyed talking to each other."

Said Waters: "I never met a superstar athlete who so wanted to write. They usually scorn us."

Setting into a Manhattan East Side restaurant, nine hours after the final play of the season-opening "Monday Night Football" Dallas-Washington game, Gifford said he had just read the completed version of the autobiography a week before.

"I got a kick out of it," he said, with his perfect grin. "It was a catharsis."

Funny thing about Gifford. He's not the greatest sportscauser. He still makes the occasional gaffe, his style doesn't generate sparks, his voice doesn't resonate and the analytic bluster belongs to Dan Dierdorf. But 29 years into his second full-time career, he's still here, still the mainstay of Al Michaels' 15 years and Dierdorf's by 16.

Watch Gifford at a social gathering and you see his appeal. He could be standing alone, and a growing corps of men and women will surround him. Giants devotees. "Monday Night Football" fans. Fans of Kathie Lee Gifford, the talk-show star and his wife of almost seven years.

"I've lived with the appeal," he said. "It's easier to live with it if you've lived with it for a long time."

Waters theorizes that Gifford's handsome, easygoing presence doesn't offend viewers or fans.

"Comfort level is much more important than outrageousness," he said. "People really trust and like him."

"The Whole Ten Yards" ambles easily through Gifford's life. There are the bumpy childhood days, frustrations in acting that didn't get him beyond work as an extra in the 1950s (including a role as Jerry Lewis' stunt kicker in "That's My Boy") and candor about his failings as a husband and father.

The engine of the book is the stories from his playing days and New York City nightlife at a time when America was opening its eyes to professional football. The tales display a Gifford rarely on view: hard-partying, profane, wryly funny, self-deprecating.

● The Giants partying at the Concourse Plaza Hotel, hard by Yankee Stadium in the Bronx, then piling into the D train downtown for a night on the town after home games in the 1950s and 1960s.

● Sam Huff and other Giant defensive players trying to stiff young Jack Kemp on a share of the 1958 post-season money.

"I told Sam he's not going to like this book," Gifford said, "and he said, 'What'd you say about me?'"

● Y. A. Tittle spending three glory years dragging the Giants offense to a Saturday night home-game ritual of bad spaghetti and meatballs at an Italian restaurant, but revealing his sadness when his eyesight doomed his bull passes in 1964.

"It was a great time to play," Gifford said. "Uncomplicated. Twelve teams. The players didn't jump from one franchise to another."

Those looking for revelations about "Monday Night Football" will be disappointed. His stories are lively and the Cosell tales are designed to explain the latter's complexity, not maim him. "I'm sad that he's ill now," he said. "It was difficult to watch him turn on everybody around him."

Whether or not it traces back to those he deems know-nothings who covered the Giants early in his career, Gifford, in his book, decries the negative tone of sports coverage. At one point, he says that if he fumbled twice in the 1993 Super Bowl, as he did in the 1958 title game against Baltimore, "there would have been 15,000 keyboard assassins in attendance and every one of them would have drawn my blood."

He smiled, inconspicuously, at the line.

He was partly prompted to do the book by Frederick Exley, whose novel, "A Fan's Notes," mythologized him.

Giants' Hampton Should Beat the Rams at Their Own Game

New York Times Service
 RAMS (1-1) at GIANTS (2-0): KEY STAT: Rams have won five of six from the Giants and three straight in New York, and they lead the series, 21-9. Giants rank No. 2 in the National Football Conference in offense, averaging 371 yards per game.

COMMENT: Having slapped Pittsburgh with its first shutout in 56 games, the Rams enter Giants Stadium with confidence. Their 27-0 victory at home over Pittsburgh provided the team's largest vic-

torious margin in 77 games. Jerome Bettis and Cleveland Gary give the Rams a potent 1-2 running punch, but Rodney Hampton can single-handedly match their effort. For two teams with a running tradition, the running game provides the difference. Oddsmakers have made the Giants 8-point favorites.

BENGALS (0-2) at STEELERS (0-2): KEY STAT: Bengals have won four straight over Bengals and seven straight at home vs. division opponents.

COMMENT: Pittsburgh has been soundly kicked in losses to San Francisco and the Rams, and Cincinnati knows the feeling: It dropped its second game on three field goals in a 9-6 loss to Indianapolis. It has been a rude opening for the Steelers, who entered with high hopes after earning the American Football Conference Central crown last season. Steelers by 8.

LIONS (2-0) at SAINTS (2-0): KEY STAT: Saints lead league in rushing of-

fense (183.5 yards per game). Detroit, along with Philadelphia, leads the NFC in fewest yards allowed per rushing attempt (2.6).

COMMENT: Linebacker Pat Swilling leads the Lions into the Superdome, where Swilling used to terrorize offenses for the Saints. Now he will lead an effort to clamp the Saints' improved offense, which compiled a club-record 557 yards vs. Atlanta. The good news for Detroit: Its run defense should keep the game close. The Saints should win this game with balance: strong defense, strong special teams and just enough offense. Saints by 5½.

SEAHAWKS (0-2) at PATRIOTS (0-2): KEY STAT: The Seahawks' rookie quarterback, Rick Mirer, is 34 of 49 for 303 yards, no touchdowns and three interceptions; the Patriots' rookie quarterback, Drew Bledsoe, is 42 of 79 for 387 yards, three touchdowns and two interceptions.

COMMENT: The '93 draft's No. 1 (Bledsoe) and No. 2 (Mirer) picks duel at quarterback in a game where both porous teams get a best shot at an early-season victory. Bledsoe has got the jump on Mirer in opportunity and in production. Seattle is emphasizing the short pass in hopes of not overburdening Mirer, but it needs to turn him loose in this matchup. Bledsoe wins Round 1 of this duel. Patriots by 2.

REDSKINS (1-1) at EAGLES (2-0): KEY STAT: Redskins' Gary Conkin, making his first NFL start, was 16 of 29 for 169 yards with one touchdown and one interception in loss to Phoenix; Eagles

have won 10 straight at home in regular season.

COMMENT: You can bet that the Eagles' defensive coordinator, Bud Carson, has something cooking to keep the pressure on Conkin for four quarters. Carson was outstanding last week in a matchup of wits vs. Green Bay's coach, Mike Holmgren. Seth Joyner leads an Eagles defense that looks as if it can still improve. Eagles have exhibited nice balance on offense, and this

three receivers having gained 100 yards and scored one touchdown; 49ers in two '92 victories over Falcons won by total score of 97-20.

COMMENT: The Falcons' offense continues to roll up points, but the same old problems remain with the defense. That was supposed to change with free agent acquisitions, including defensive lineman Pierce Holt, who jumped ship from the 49ers. The 49ers were perplexed and frus-

The Cowboys have struggled on and off the field, but Coach Jimmy Johnson believes his team will turn things around. With the signing of Emmitt Smith, perhaps they have righted themselves for the season.

time Cunningham and the Eagles slip through the cracks. Eagles by 4½.

BROWNS (2-0) at RAIDERS (2-0): KEY STAT: The Raiders' quarterback, Jeff Hostetler, is completing 68.3 percent of his passes and is providing consistency and big plays at quarterback.

COMMENT: Last season, Cleveland visited the L.A. Coliseum and left the Raiders sucking for air. Eric Metcalf offered most of the damage, with three touchdown catches and one rushing score in a 28-16 Browns victory. The Raiders seek to even the score with one of their best defensive teams in several years. Raiders by 3.

FALCONS (0-2) at 49ERS (1-1): KEY STAT: Falcons are only NFL team with

trated Monday night at Cleveland but straighten things out here. Quarterback Steve Young got most of the blame vs. Cleveland; he will get most of the credit here. 49ers by 13.

OILERS (1-1) at CHARGERS (1-1): KEY STAT: Oilers running back Lorenzo White has 39 carries, and no other Oiler has more than 3; Chargers defense allowing 72.1 percent pass-completion percentage.

COMMENT: "We've got to do a better job up front in protection," said Warren Moon, the Houston quarterback. "We're not holding our blocks long enough. We can do better." Moon has been rocked through two starts vs. New Orleans and Kansas City, being sacked six times for 48

yards. The Chargers won't let up. Chargers by 3.

COWBOYS (0-2) at CARDINALS (1-1): KEY STAT: Cowboys receiver Michael Irvin in '92 posted career and league-high 210 yards and 3 touchdown receptions on eight catches vs. Phoenix; Cardinals have dropped five straight to Dallas in Phoenix.

COMMENT: Phoenix snapped a 14-game losing streak at Washington last Sunday and seeks to end its skid vs. Dallas. The Cowboys have struggled on and off the field, but Coach Jimmy Johnson believes his team will turn things around. With the signing of Emmitt Smith, perhaps Dallas has righted itself for the season. Cowboys by 5.

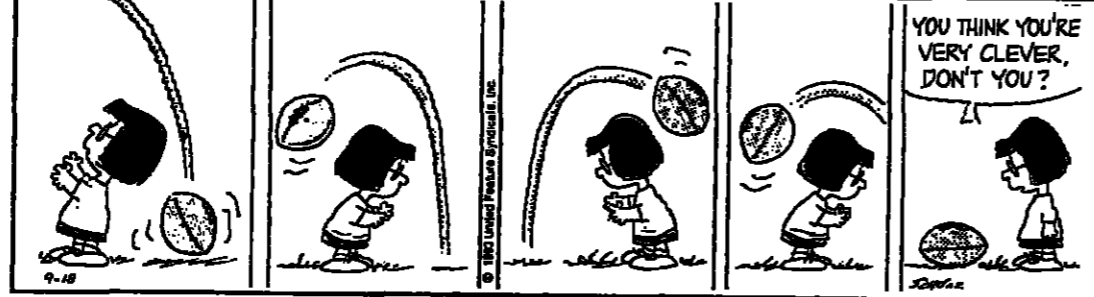
BRONCOS (2-0) at CHIEFS (1-1): KEY STAT: Broncos feature AFC's No. 2-ranked offense, averaging 347.5 yards per game; Chiefs feature AFC's No. 2-ranked defense, allowing 202 yards per game. Marty Schottenheimer is 2-9 vs. Denver.

COMMENT: Joe Montana returns after an injured right wrist kept him out of the Chiefs' 30-0 loss to Houston. Five of the last seven games in this rugged series have been decided by four or fewer points. Denver (0-1) and Miami (0-3) are the only teams Montana has not beaten in the regular season. That will change. Watch Chiefs' linebacker Derrick Thomas shine in prime time and lead a defense that has allowed only 7 of 24 third-down conversions. Chiefs by 5½.

DENNIS THE MENACE



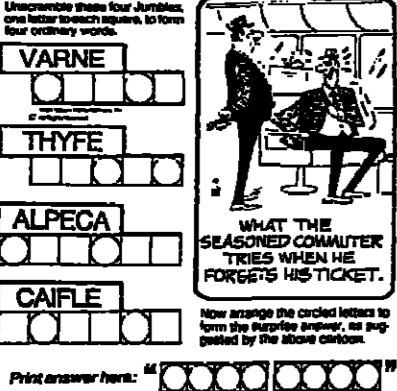
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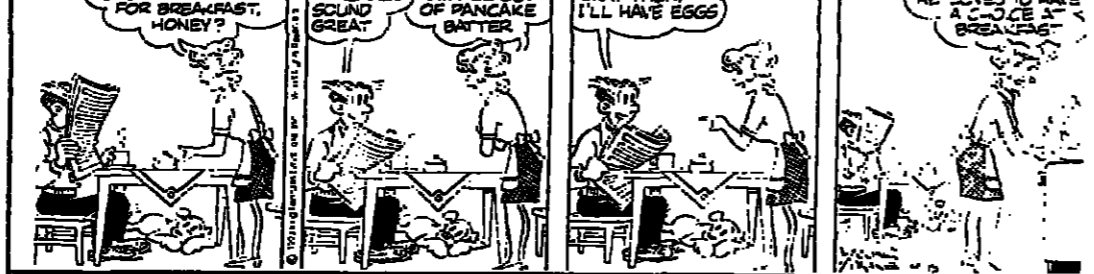
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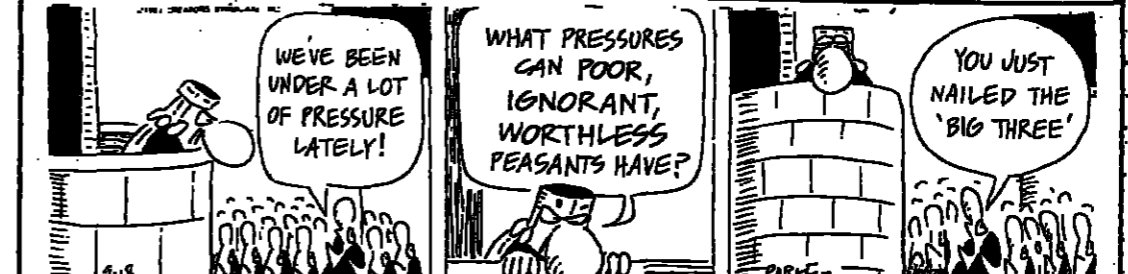
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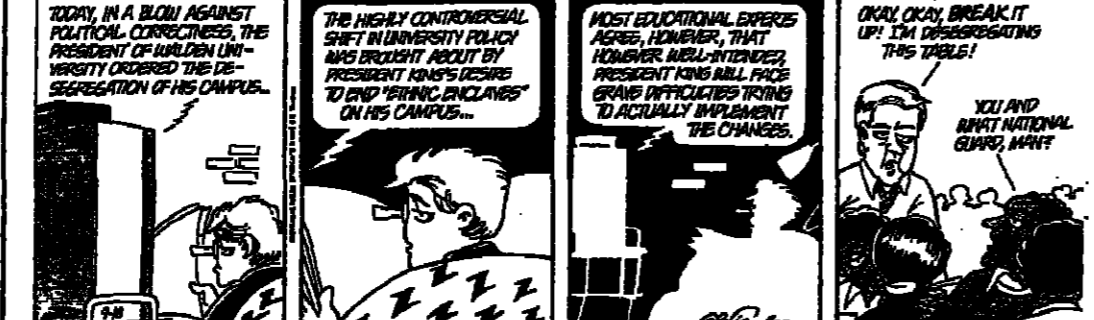
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SPORTS BASEBALL

Long Fly Falls Short For Yanks

What could have been a grand night for Mike Stanley and the New York Yankees instead became a discouraging loss.

AL ROUNDUP

_bases loaded to end the game, a 6-4 loss to the Boston Red Sox.

The Yankees lost for the seventh time in 10 games and fell into a second-place tie in the American League East with Baltimore, three games behind Toronto.

The Red Sox rushed to a 5-1 lead against Scott Kamieniecki despite failing to score twice with the bases loaded.

Greg Harris fanned Stanley for the last out and his eighth save.

Stanley nearly tied it in the eighth. The Yankees, who fell behind Frank Viola early, made it 6-2 in the seventh on Randy Velarde's single off Scott Bankhead.

A single and two walks loaded the bases with no outs in the eighth.

Stanley went the opposite way on a 3-2 pitch from Ken Ryan, lifting a long drive to right field that brought Yankees players rushing out of the dugout with their arms raised.

"I was hoping it would go out," Stanley said. "Some days that ball will go out. Today wasn't one of those days."

Deer ran back and jumped at the fence, making the catch below the top of the wall just before he crashed into it.

"We were playing him deep, just so he wouldn't hit it over our heads," Deer said. "You could kind of tell he had an idea to hit it to right."

"As I went back, I didn't know where I was," he said. "I had to turn around to get my bearings on where I was to the wall. I just leaped. But there was no way it was going to stay in the park and me not catch the ball, I can guarantee that."

Marlins 14, Royals 1: Randy Johnson came within five outs of his second career no-hitter before Brian McRae doubled in the eighth inning as Seattle routed visiting Kansas City.

Johnson struck out 15 to extend his major-league-leading total to 277. He walked six and hit a batter in his bid to duplicate his only career no-hitter, a 2-0 win June 2, 1990, against Detroit in Seattle.



Dave Winfield swinging for the record books: His single off Dennis Eckersley was . . . 3,000.

Winfield Enters 3,000-Hit Club

MINNEAPOLIS — Dave Winfield stood on first base, a smile so big you could see the cracks in the fillings of his molars.

Still, he said, "It was unusual to be out there myself and to bask in it."

The Twins tied the score, on Scott Stahovik's two-out single. Then they won it when Chip Hale capped a three-run, 13th-inning rally with a single off Roger Knudsen.

The drive for 3,000 "creeped in as the focus of what we were doing," he said, adding, "I feel the weight of the world is off me."

But on Thursday at the Metrodome, the Twins were winning. And Winfield was the man.

"Sometime, when I'm finished playing," he said, "I'll look back and say this was incredible, a great, great moment."

In September, Robin Yount of Milwaukee and George Brett of Kansas City also reached 3,000. Pete Rose, banned from baseball for gambling, along with the still-active Yount and Brett, are the only members of the 3,000-hit club not in the Hall of Fame.

"It was just meant to be. If it wasn't me, it would've been somebody else," said Eckersley. Winfield, 41, fighting

Atlanta Grabs Victory in 12th To Keep Rolling

Two dramatic late-inning victories are not what Jeff Blausler had in mind for the torrid Atlanta Braves, but he is not complaining.

Blausler, given a second chance, came through with an infield single in the 12th inning Thursday night, knocking in the run that gave the

Braves a 3-2 victory over Cincinnati and a three-game sweep of the Reds in Atlanta.

The Braves, who have won 8 of 9 and 29 of 35 home games in four games ahead of the San Francisco in the National League West race.

Atlanta has 15 games remaining and the Giants, who are in an eight-game losing streak, have 17 left.

On Wednesday night, the Braves scored five runs in the ninth inning — capped by Ron Gant's three-run homer — to beat the Reds 7-6.

"It would be a nice feeling to have the game won earlier," Blausler said. "You just don't want to get in the habit of winning at the end. It takes a lot out of you, and we sure could use a rest."

The Braves have the best record in baseball at 94-53. Atlanta trailed the Giants by 10 games on July 22. "We gave them a heck of a series, and there's no question the last two should've been ours," Cincinnati manager Davey Johnson said.

The Reds went ahead 2-1 when Jacob Brumfield led off the ninth with his sixth homer of the season and third in four games.

David Justice, however, hit his 37th of the year in the bottom of the inning to tie it.

"Give Justice credit," Johnson said. "Championship teams come through in the clutch in the late innings, and Justice and Blausler did."

Gant drove in Atlanta's first run with a sacrifice fly in the fourth inning. It was his 16th RBI in five games. He also had a grand slam in Atlanta's 10-3 win Tuesday night.

Cincinnati first baseman Hal Morris made a diving stab over the line of Blausler's winning hit with two outs and the bases loaded, but pitcher Scott Service (2-2) was late in covering and Bill Peacor scored the winning run.

Expos 4, Cardinals 3: In St. Louis, Montreal won its 17th game in the last 19 to move within five games of first-place Philadelphia in the National League East.

The victory was tempered for the Expos by the loss of outfielder Moses Alou, who dislocated his left arm running the bases in the seventh and had to be carried from the field.

Pirates 10, Marlins 0: John Hope and three Pittsburgh relievers combined on a three-hitter as Florida was swept at home for the first time. Hope went four hitless innings but had to leave the game with severe leg cramps after his bunt single in the fifth.

Rockies 6, Astros 3: Colorado completed a four-game sweep of Houston and won its seventh straight at home when Jerald Clark's three-run homer completed a four-run eighth and broke a tie.

NL ROUNDUP

Baseball Is Realigning? Better to Open Trap Door

NEW YORK — The most popular game in town the last 24 hours has been speculating how baseball would look if this were 1994 and the new realignment had already taken place.

We've all taken out our little slide rules and deduced that the current Yankee series with the Red Sox would be of huge importance in the brave new world a-comeing.

That would be good because it would mean that this decent, hard-working, overachieving Yankee team would have a very good shot at the first round of the playoffs, and that would keep that choke-artist owner, that panicking, no-guts pantywaist, quiet for the moment.

And here's a note to my office: don't you dare stick his photo in my column, either. I'm sick of his double-chin, pull-the-wings-off-flies glare. Run Buck's picture. Run Gallego's. Run Tartabull's. Guy has 30 homers and the owner dumps on him. What a creep.

Now, where was I? Oh, yes. We were playing mind games about mediocre teams like St. Louis and Texas suddenly becoming division winners by virtue of opening up three

CHINA: Boycott Not Ruled Out

group of U.S. business contacts with commercial interests in China.

This was suggested by some international business friends of mine who cherish the Olympic movement and spirit," he said.

Mr. Zhang confirmed that he had raised the possibility of a boycott in a television interview with Australia's Special Broadcasting Service.

The interview, conducted Aug. 31, was scheduled to be broadcast Saturday. A transcript was made available Friday.

But he added, "I said very clearly to the Australian crew that this only represented my personal viewpoint."

In the interview, Mr. Zhang said: "The American people are very good to us. It's their Congress that is stupid. If Congress can pass a resolution objecting to our bid for the 2000 Olympics, we could, frankly, boycott their Atlanta Games in 1996."

"If our bid fails," he added, "we could write to Congress to protest about their interference and justifying our revenge."

Chinese officials have previously attacked the U.S. initiative as political interference, but Mr. Zhang was the first to publicly speak of a possible retaliatory boycott.

Beijing bid officials, asked about Mr. Zhang's comments, declined to rule out an Atlanta boycott.

Wu Zhongyuan, vice president of the Chinese Olympic Committee and a spokesman for the Beijing bid, called the U.S. moves "interference in the principles of the IOC charter and the legitimate rights and interests of the Chinese people."

"This has aroused indignation of the Chinese people, including Zhang Baifa," he said. "The Chinese Olympic Committee has not yet studied the question of participation in the Atlanta Olympic Games."

"The Chinese Olympic Committee has always respected and supported the purpose of the Olympic movement," Mr. Wu said. "The committee will support all efforts that will contribute to the Olympic movement."

SIDELINES

James Leads Lancôme by a Stroke

ST NOM LA BRETECHE, France (Reuters)—Mark James of Britain took a one-stroke lead as Europe's Ryder Cup players maintained strong positions after two rounds of the Lancôme Trophy golf tournament on Friday.

Four members of the team were in the top six. James, who is rediscovering his form in the last before he helps Europe's cup challenge to the Americans next week, fired a four-under par 66.

The 39-year-old Englishman had a nine-under-par total of 131 to lead David Feherty of Ireland by a stroke. Feherty shot a scizzing 63, the best score in the first two rounds. James's fellow English Ryder Cup teammate Peter Baker carried a 67 to lead a share of third place at 133 with another Englishman, Peter Mitchell, who is not on the cup team.

Venables Denies BBC TV Charges

LONDON (AP)—The former chief executive of the Tottenham soccer club, Terry Venables, consulted his lawyers Friday about broadcast allegations that he had unlawfully raised £1 million (\$1.53 million) for a share deal when he and Alan Sugar took over the team in 1991.

Venables, who was fired from his post at the north London soccer club by Sugar, the club's chairman, this summer, denied the charges made in the British Broadcasting Corp.'s current affairs program "Panorama."

The program accused Venables of using one of his former companies, Transatlantic Inns, to raise money without the knowledge of its former directors. It said that two months after Venables resigned as a director of Transatlantic, he used its assets in a sale-and-leaseback deal with another company, Landhurst Leasing. It alleged that the assets were the fixtures and fittings of three pubs leased by Transatlantic from various brewers and another pub. Panorama said the money went not to Transatlantic, but into Venables' private company, Edennoe, and that a short time later, Edennoe paid £800,000 of the money to Tottenham as part of Venables' £3 million share deal with Sugar to take over the club.

Radio Pirates Oppose Berlin Bid

BERLIN (Reuters)—Radio pirates opposed to Berlin's bid to hold the 2000 Olympics have jammed a local station that strongly backs the effort and broadcast anti-Games propaganda, the station said on Friday.

SCOREBOARD

BASEBALL

Table with columns for Major League Standings (American League East Division, National League East Division) and Friday's Results (Orioles, Yankees, Mariners, etc.)

TRANSACTIONS

Table listing baseball transactions including hirings, firings, and trades for various teams.

FOOTBALL

Table listing football results for Major College Soccer and Soccer.

ESTABLISHED

Table listing established sports events and results.

THURSDAY'S LINE SCORES

Table listing Thursday's line scores for Major League Baseball.

Japanese League

Table listing Japanese League standings and results.

INTERNATIONAL CLASSIFIED

Advertisement for International Classified services, including agencies like ZURICH NEW, LONDON & PARIS, GENEVA, and others.

Advertisement for Herald Tribune, offering living in the U.S. and newspaper delivery services.

Advertisement for Mercedes-Benz, featuring the L2000 and L2300 models.

DAVE BARRY

The Boss Wordsmith

MIAMI — Once again it is time for "Ask Mister Language Person," the column whose motto is: "People Judge You by the Words You Use. So Use Words That Nobody Really Understands, Such as 'Paranoid.'"

Today, as is our custom, we shall start with our first question:

Q. I have noted that the slang expression "cool" is being used once again by young people. Is this good?

A. Yes. Mister Language Person approves of any language trend that makes him feel like a "hep cat," so he is pleased to hear young people bringing back "lingo" from the days when he was Mister Language Teenager and the Earth's crust was still warm. Mister Language Person would like to see the return of other expressions from his youth, such as "in the groove," "shake your booty" and "boss."

Q. What does "boss" mean?

A. It means "cool," as in these examples: "Diane got a boss carbu-retor." "Michelangelo painted some boss frescoes."

Q. Was "Michelangelo" his first name or his last name?

A. Neither. It was just his fresco name. His full legal name, on his driver's license, was "Vito."

Q. Can you describe the contents of a "Dear Abby" column published in the March 26, 1992, Boston Herald and sent in by alert reader Chp Moyhan?

A. Yes. This column contains a letter from a man who is upset because he has discovered that his wife has a hidden collection of pornographic books. The man states: "I came upon them accidentally."

Q. Do you think any newspapers will actually print the preceding item?

A. It will be a test of just how low the nation's journalism standards have sunk.

Q. According to a KRT News Wire article on sexual harassment in Washington, sent in by alert reader David Travis, what allegation did a female congressional staff person make about a male lobbyist?

A. The article states that the lobbyist "felt free to pinch her buttocks in the reception area."

Q. Where is that located?

A. Just below the vestibule. It is extremely sensitive.

Q. Regarding the old spiritism: Why would a person "jump down" and then "turn around" before picking a ball of cotton?

A. This involved a union contract.

Q. Do the instructions for the Batman costume set manufactured by Kenner Products contain important consumer safety information?

A. Yes. These instructions, sent in by alert reader Maria Reed, state: "CAUTION: Cape does not enable user to fly."

Q. What DOES the cape enable the user to do?

A. It enables the user to leap from one tall building to another. A user wishing to actually FLY should purchase the Kenner Products Superman cape.

Q. Please quote from an official marker erected in Plum Lake, Wisconsin, to commemorate "The First Lighted Softball Park in the Far North."

A. According to a photograph sent in by alert readers Dick and Margie Kussman, this marker, after listing the accomplishments of Plum Lake's champion softball teams, states: "WE HAIL WHAT RADIATION HAS BROUGHT WHAT WE HAVE TODAY."

Q. "Radiation"?

A. Yes. The marker also states: "TRAVEL AROUND AND SEE THE VAST LEGEND OF OUR COMMUNITY. ENJOY RELAXING IN THE FUN OF THE HOMETOWN OF WHICH WE ARE PROUD."

Q. Probably it would be a good idea not to get out of the car.

A. Yes.

Q. What was the cause of a September 1992 airplane crash in Katmandu, Nepal?

A. An Associated Press report at the time stated: "Airline sources said a Pakistani jet that plowed into a hillside may have been flying too low."

Q. It certainly pays to have airline sources.

A. Yes, and that is why we journalists will go to jail to protect their secret identities.

GOT A QUESTION FOR MISTER LANGUAGE PERSON? He is not in at the moment.

Knight-Ridder Newspapers

The English Novel: Read All About It

By Katherine Knorr

THE London literary season has started with all its bombast and gossip, and everyone is awaiting the announcement next Wednesday of the Booker Prize short list, which will no doubt be greeted with the usual outrage and raise the usual questions about the health of the English novel. Thousands of novels are published in English every year, some of them very good, and yet very few of them are read. What's the point of a novel anymore? Leaving aside books we read to get through long flights, it seems that keeping up with the cultural zeitgeist is the only reason most people do read novels anymore. The publishing companies' hype promotes that: Read the latest most shocking, most dirty, most decadent true tale of late 20th-century man.

You've read about these kinds of people in magazines, now here's the novel, the same but kinder. Here are women's lives, as they really are, here's gay life up close and personal, the '80s at their worst, young people's lives after all the fun was over, your own portable docu-drama.

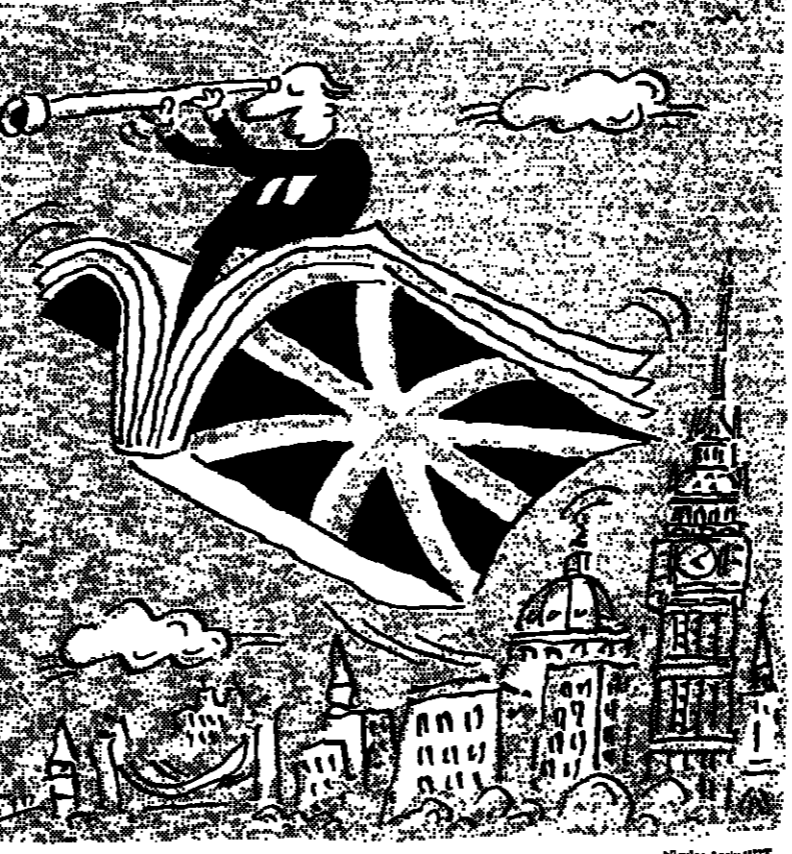
Here are fresh new voices, bold new visions, the words of a dispossessed generation. And so on. And these are the "literary" books.

D.J. Taylor is a young (33) British critic and novelist who came out changing in 1989 in "A Vain Conceit," a look at British novels in the 1980s, many of which he declared awful. It was an interesting book, pleasantly written and not academic, with a quirky but defensible selection of writers on view. He's back with "After the War: The Novel and English Society Since 1945" (Chabon & Windos), an attempt to sum up the life of the British novel in the last 50 years.

"Sooner or later, though, anyone seriously interested in modern fiction will be forced to confront an inquiry which is more or less unanswerable: Why devote so much attention to an art form that nearly everybody admits is in a wretched state, and in which large numbers of intelligent people have lost interest?" Taylor writes (one of the reasons he pays attention, of course, is that he is paid to do so, as a regular reviewer for The Independent and the Sunday Times).

Reading this book can make you grateful you haven't had to read all these stories, sit in at all these right-minded dinner parties.

What all this reading has done for Taylor is confirm him in his first love: "It's obvious to me that the novels we read and write today are so obviously inferior to the great novels of the 19th century," he said by telephone from London.



Although Taylor's book doesn't live up to its title, because he leaves out a lot of writers who can't be left out of a comprehensive look at postwar British fiction, he is on to something that plagues literature in the postmodern (or whatever you want to label it) age: The wider reading public wants a story with real people. The swag-gard, such as it is, keeps on trying to shock a bourgeois who can't be shocked since he doesn't read novels. In between is a vast group of writers, most of whom are ignored or underrated by critics, and unpublishable by their publishers.

The book jacket on "After the War" pushes its controversial aspects, and some of its British reviewers have gone along, rightly criticizing the narrowness of Taylor's book list, but wrongly criticizing the message.

Taylor's view of the London-centered, cliché world of English letters isn't really particularly surprising. Even people who say it's silly to say the English novel is in terrible trouble basically find that on the whole what they see published is pretty dull, especially when it's meant to be shocking.

Deconstructionist university English departments. Taylor's focus is on the parallels between the decline of Britain as a world power — "England's postwar subservience to America" — and the decline of its literature. Anthony Burgess, among others, long ago identified the shrinking horizons of Britain as a brake on literary imagination.

As the decades go by, Taylor's novelists confront a basic issue — What is Englishness — and a secondary issue, as Thatcherism comes on the scene — the class system after the class system.

At the same time, many of the stock plots of earlier novels, girl meets boy and girl takes boy from other girl, have been made irrelevant.

"Adultery might have meant something, and meant something to a novel about, a 'New Woman' of the 1890s entangled in a loveless marriage with a snuffy little bore: To a thrice-married advertising executive hot in pursuit of 'sexual fluency' it seems pretty small beer," Taylor writes.

Taylor, who is particularly fond of the regional, working-class novels of the late '50s and early '60s (by Alan Sillitoe and Sid Chaplin, among others) and seeks, fairly convincingly, to rehabilitate their reputations, would like to see "the '90s equivalent of what people were writing in the '50s" — novels that actually engage things that are happening.

What he's found, not surprisingly, is that the sense of optimism that informed a lot of the earlier books isn't there anymore.

Just as Victorian novels were written in an atmosphere of British confidence that is now gone, the '50s and '60s books showed a (naïve) confidence in progressive virtues that has disappeared.

Taylor, who comes from Norwich and has a day job in the City writing speeches for the accountancy firm of Ernst & Young, hopes the English novel will leave London and find real people out there in the rest of England (his own two novels take place mostly outside the capital).

"There is an enormous audience for novels," he said. "People are interested in the old-fashioned virtues. They want narrative, they want to read about people." What the English-language novel has done, of course, is to leave London and find wider horizons both in America and, as the Booker Prize in recent years has shown, in the Commonwealth.

This year, one of the strongest books published in English, and a contender for the short list, is "A Suitable Boy," a nearly 1,400 page book constructed in some ways like a 19th-century novel by the Indian writer Vikram Seth.

People

Houston's Love Song Sets Them Fighting

They're again coming to blows in Britain over Whitney Houston's "I Will Always Love You." Joan Hall, 31, threw her neighbor's stereo set out a fourth-floor window and then was set upon by the aggrieved owner, Julie Woodford, whose son, Jason, was the Whitney fan. "I had just had enough of the noise," Hall told a London court, where Woodford pleaded guilty to assault.

Just three months after winning the Tony Award for his portrayal of Molina, the gay window dresser in "Kiss of the Spider Woman," Brent Carter has decided not to renew his contract and to return home to Canada.

A brush fire in the hills around Mill Valley, north of San Francisco, has gutted the million-dollar home of rock singer Grace Slick.

Josef and Marieta Meien, both 20, came up with a novel way to spend their honeymoon — in a Prague department store window "room." And they beat out 30 other hopeful couples in a contest to spend 14 days of their honeymoon in the room without leaving it. The prize: the \$7,000 worth of furniture inside.

Heidi Fleiss, the so-called Hollywood madam, is getting into a new business line: "very sexy" sleepwear. In a telephone conversation with the talk show host Joan Rivers, Fleiss said she's been working on designs for the past 10 months.

"Every woman will feel good sleeping in them," Fleiss said. "Well, if there's anyone who knows what men like to see when sleep in it, it would be you." Rivers replied.

The Berlin city parliament has voted, 134-53, to close the Schiller-Theater, teaching off a last-minute but fearless protest by 200 actors and stage workers. "There will be some more spontaneous protests, but there is little more that can be done to save the theater," said Martina Oswald, a theater official.

INTERNATIONAL CLASSIFIED Appears on Pages 4 & 7

WEATHER

Weather forecast table with columns for Europe, Asia, Africa, North America, Latin America, and Oceania. Includes temperature and precipitation data for various cities.

WEEKEND DESTINATIONS

Weekend destinations table with columns for Saturday and Sunday. Includes location, weather, high/low temperatures, water temperature, wave heights, and wind speed.

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